



# Nevada State Board of Pharmacy

431 W. PLUMB LANE • RENO, NEVADA 89509  
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November 18, 2015

## AGENDA

### ◆ PUBLIC NOTICE ◆

The Nevada State Board of Pharmacy will conduct a meeting beginning Wednesday, December 2, 2015 at 9:00 am. The meeting will continue, if necessary, on Thursday, December 3, 2015 at 9:00 am or until the Board concludes its business at the following location:

Hyatt Place  
1790 E Plumb Lane  
Reno

Please Note: The Nevada State Board of Pharmacy may address agenda items out of sequence to accommodate persons appearing before the Board or to aid in the efficiency or effectiveness of the meeting;

The Nevada State Board of Pharmacy may combine two or more agenda items for consideration; and

The Nevada State Board of Pharmacy may remove an item from the agenda or delay discussion relating to an item on the agenda at any time.

Public comment is welcomed by the Board, but will be heard during the public comment item and may be limited to five minutes per person. The president may allow additional time to a given speaker as time allows and in his or her sole discretion.

**Prior to the commencement and conclusion of a contested case or a quasi judicial proceeding that may affect the due process rights of an individual the board may refuse to consider public comment. See NRS 233B.126.** Please be aware that after the quasi-judicial board or commission had rendered a decision in the contested case and assuming this happens before adjournment, then you may advise the board or commission that it may **entertain public comment on the proceeding at that time.**

## ◆ CONSENT AGENDA ◆

The Consent Agenda contains matters of routine acceptance. The Board Members may approve the consent agenda items as written or, at their discretion, may address individual items for discussion or change.

1. Public Comments and Discussion of and Deliberation Upon Those Comments: No vote may be taken upon a matter raised under this item of the agenda until the matter itself has been specifically included on an agenda as an item upon which action will be taken. (NRS 241.020)
2. Approval of October 14-15, 2015, Minutes for Possible Action
3. Applications for Out-of-State Pharmacy – Non Appearance for Possible Action:
  - A. Brightwell Health – Tulsa, OK
  - B. Cleveland Clinic Specialty/Home Delivery Pharmacy – Beachwood, OH
  - C. CSR Company, Inc. – La Vista, NE
  - D. CVS/specialty – Chandler, AZ
  - E. Hollis Prescription Center Inc. – Hollis, NY
  - F. Onco360 – Louisville, KY
  - G. Pegasus Specialty Express Pharmacy – Cookeville, TN
  - H. Priority Care Pharmacy at Cotton Gin Point, LLC – Amory, MS
  - I. Specialty Medical Drugstore – Southgate, KY
  - J. Total Home Health Care, Inc. – Stroudsburg, PA
  - K. Vincent Priority Care Pharmacy, LLC – Vincent, AL

Applications for Out-of-State Compounding Pharmacy – Non Appearance for Possible Action:

- L. AcuPharm LLC – Taylorsville, UT
- M. Advanced Family Pharmacy, Inc. – Fresno, CA
- N. Cascade Specialty Pharmacy – Poulsbo, WA
- O. Center City Pharmacy, Inc. – West Palm Beach, FL
- P. Custom Compounding Pharmacy, LLC – Weatherford, TX
- Q. Hospital Pharmaceutical Consulting – San Antonio, TX
- R. Jolley's Sandy Pharmacy – Sandy, UT
- S. Keystone Choice Pharmacy, LLC – Easton, PA
- T. MP Pharmacy – Clearwater, FL
- U. Renner Pharmacy – Richardson, TX
- V. Thies Lombard Pharmacy Inc. – Lombard, IL
- W. Xpress Long Term Care Pharmacy – Fort Worth, TX

Applications for Out-of-State Wholesaler – Non Appearance for Possible Action:

- X. Ajanta Pharma USA Inc. – Bridgewater, NJ
- Y. Amarin Pharma, Inc. – Bedminster, NJ
- Z. Anacor Pharmaceuticals, Inc. – Palo Alto, CA

- AA. Biocodex Inc. – Redwood City, CA
- BB. Dendreon Pharmaceuticals, Inc. – Seal Beach, CA
- CC. Inogen Inc. – Richardson, TX
- DD. Medline Industries, Inc. – Phoenix, AZ
- EE. Merial, Inc. – Athens, GA
- FF. PureTek Corporation – San Fernando, CA
- GG. Rx Reverse Distributors, Inc. – Sebastian, FL
- HH. St. Mary's Medical Park Pharmacy Inc. – Oro Valley, AZ
- II. Total Pharmacy Supply – Arlington, TX
- JJ. Tri-Pharma, Inc. – Marietta, GA
- KK. Westminster Pharmaceuticals, LLC – Olive Branch, MS
- LL. Woodfield Distribution, LLC – Sugarland, TX

Applications for Out-of-State MDEG – Non Appearance for Possible Action:

- MM. ArjoHuntleigh Inc. – Sacramento, CA
- NN. CEVA Freight LLC – Groveport, OH
- OO. Home Respiratory Care – Los Angeles, CA
- PP. Inogen Inc. – Richardson, TX
- QQ. Medline Industries, Inc. – Libertyville, IL
- RR. Premier Medical Equipment, Inc. – Tampa, FL
- SS. Preston Wound Care – McKinney, TX

Applications for Nevada Pharmacy – Non Appearance for Possible Action:

- TT. Parkway Surgery Center @ Horizon Ridge – Henderson
- UU. Southwest Surgery Center Tenaya – Las Vegas
- VV. Valley Pharmacy – Sun Valley

Application for Nevada MDE – Non Appearance for Possible Action:

- WW. Southern Nevada Oxygen, Inc. – Henderson

◆ REGULAR AGENDA ◆

4. Discipline for Possible Actions: Note – The Board may convene in closed session to consider the character, alleged misconduct, professional competence or physical or mental health of any of the below named parties.
  - A. VetSource Home Delivery (15-042-PH-O)
  - B. Jennifer (Gentine) Watson, PT (15-056-PT-N)
  - C. Vital Care Health Services (15-055-MP-N)
  
5. Applications for Out-of-State Compounding Pharmacy – Appearance for Possible Action:
  - A. Care Solutions, Inc. – Nashville, TN
  - B. Premier Pharmacy Labs, Inc. – Brookville, FL

6. Auditors Report – Appearance for Possible Action:  
Beth Kohn – Kohn & Company
7. Application for Renewal of Pharmacist License – Appearance for Possible Action:  
David Moll
8. Application by Examination for Pharmacist License – Appearance for Possible Action:  
Ronald H. Engberson
9. Application for Controlled Substance License – Appearance for Possible Action:  
Mohamed O. Saleh, MD
10. Application for Nevada Pharmacy – Appearance for Possible Action:  
Concierge Compounding Pharmaceuticals, Inc. – Henderson
11. Applications for Nevada MDEG – Appearance for Possible Action:
  - A. HST, LLC – Henderson
  - B. Pahrump Medical Supply, Inc. – Pahrump
12. Requested Appearance for Possible Action:  
Kelsey Maxim, PharmD  
The Molina Medicare Medication Therapy Management Program
13. Appearance Request for Possible Action:  
Genda Zareei
14. Application for Nevada MDEG – Appearance for Possible Action:  
Cintas Corporation No. 2 – Sparks
15. Executive Secretary Report for Possible Action:
  - A. Financial Report
  - B. Temporary Licenses
  - C. Staff Activities
    1. FDA 50-State Meeting – Maryland
    2. NASCA Annual Meeting – Scottsdale
    3. ASPL – Miami
    4. Speaking Engagements:
      - a. NABP Executive Officer Forum – Chicago



- b. Credentialing Association
  - c. Dental Group
  - d. Dignity Health
  - e. Executive Officer Forum
- 5. Compliance Officer Forum – Chicago
- 6. Compliance Officer Sterile Compounding Training - NABP
- D. Reports to Board
  - 1. Collaborative Efforts:
    - a. NVBOME; NSBOVM; NSNB; DEA; NSBOC
    - b. Legislative Committee on Health Care
    - c. Renewals
    - d. NGA Policy Academy Report
- E. Board Related News
- F. Activities Report

◆ WORKSHOP for Possible Action ◆

Wednesday, December 2, 2015 – 9:00 am

16. Proposed Regulation Amendment Workshop – The purpose of the workshop is to solicit comments from interested persons on the following general topics that may be addressed in the proposed regulations.

**New Language to be added to NAC Chapter 639**, pursuant to the Good Samaritan Drug Overdose Act, SB 459 (2015), establishing standardized procedures or protocols for the furnishing of opioid antagonists by pharmacists and other appropriate entities to persons at risk of experiencing an opioid-related overdose or to a family member, friend or other person in a position to assist persons at risk of experiencing an opioid-related drug overdose

◆◆◆ PUBLIC HEARING ◆◆◆

Wednesday, December 2, 2015 – 9:00 am

17. Notice of Intent to Act Upon a Regulation for Possible Action:
1. **Amendment of Nevada Administrative Code (NAC) 453.540 Schedule IV** The proposed amendment will add lorcaserin to the controlled substances listed in Schedule IV, and provides for other matters properly related thereto.
  2. **Amendment of Nevada Administrative Code (NAC) 639.926 Transmission of information regarding dispensing of controlled substances to certain persons.** Amends the rule that presently establishes frequency of the controlled substance information transmitted to the Board. The amendment will improve the timeliness of the date to improve the quality of the data provided to practitioners and pharmacies pursuant to NRS 453.1545 and SB459.

**3. Amendment of Nevada Administrative Code (NAC) 639.620, NAC 639.6282, NAC 639.6305 – Third-Party Logistics Providers** The regulation amends the definition of third-party logistics providers (3PLs) to be consistent with the Federal Drug Quality and Security Act (DQSA). The amendment requires that a 3PL obtain a license as an authorized warehouse, rather than being licensed as a wholesaler as they have historically been licensed.

18. Next Board Meeting:

January 13-14, 2016 – Las Vegas

19. Public Comments and Discussion of and Deliberation Upon Those Comments: No vote may be taken upon a matter raised under this item of the agenda until the matter itself has been specifically included on an agenda as an item upon which action will be taken. (NRS 241.020)

Note: We are pleased to make reasonable accommodations for members of the public who are disabled and wish to attend the meeting. If special arrangements for the meeting are necessary, please notify the Nevada State Board of Pharmacy, 431 W Plumb Lane, Reno, Nevada, 89509, or call Shirley Hunting at (775) 850-1440, as soon as possible.

Anyone desiring supporting materials or additional information regarding the meeting is invited to call Shirley Hunting at (775) 850-1440 or email at [shunting@pharmacy.nv.gov](mailto:shunting@pharmacy.nv.gov).

Continuing Education credit of 4 hours, including 1 hour of law, will be given per day of Board meeting attendance. You are required to attend the board meeting for a full day to receive CE credit including the law credit.

This notice has been posted at the following locations and is available for viewing at **bop.nv.gov**:

Elko County Courthouse – Elko  
Washoe County Courthouse – Reno

Nevada Board of Pharmacy – Reno & Las Vegas  
Mineral County Courthouse – Hawthorne



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## MINUTES

October 14-15, 2015

## BOARD MEETING

Hilton Garden Inn  
7830 S Las Vegas Boulevard  
Las Vegas

### Board Members Present:

Leo Basch	Cheryl Blomstrom	Kevin Desmond	Tallie Pederson
Jason Penrod	Kirk Wentworth		

### Board Staff Present:

Dave Wuest	Paul Edwards	Shirley Hunting	Ray Seidlinger
Ken Scheuber	Luis Curras	Kristopher Mangosing	
Kimberly Aruello			

Mr. Pinson was absent due to a speaking engagement at the NABP Executive Officer Forum in Chicago. Dave Wuest filled in for Mr. Pinson.

Mr. Wuest informed the Board that Valerie Jensen and Andrea Cordova, pharmaceutical technicians, were present for the Board Meeting as instructed by Board Order.

President Basch called the meeting to order at 9:00 a.m.

### 1. Public Comment (October 14, 2015 9:00 a.m.)

Diane Rhee, Roseman University, appeared to inform the Board about the President's National Action Plan for Combating Antibiotic-Resistant Bacteria. She explained that the goals of the National Action Plan included reducing inappropriate antibiotic use by identifying the misuse and over-use of antibiotics in healthcare and food production. Ms. Rhee stressed the importance of educating pharmacists on appropriate antibiotic uses and dosing.

### 2. Approval of September 2, 2015, Minutes

Cheryl Blomstrom recused from participation in this matter as she was not present at the September Board meeting.

President Basch requested a sentence on pg. 13 Item 9D to be corrected to, "The Board removed The Pharmacy at Midtown's affidavit not to ship sterile products into Nevada from the record at Mr. Thomas' request."

Board Action:

Motion: Jason Penrod moved to approve the Minutes with the corrections as noted.

Second: Kirk Wentworth

Action: Passed Unanimously

3. Applications for Out-of-State Pharmacy – Non Appearance

- A. Aspcares – Miami, FL
- B. Credena Health LLC – Portland, OR
- C. Homescrpts.com, LLC – Troy, MI
- D. Manhattan's Pharmacy – Jupiter, FL
- E. Reliable Pharmacy – Marco Island, FL
- F. US Specialty Care, LLC – Lakeland, FL

Applications for Out-of-State Compounding Pharmacy – Non Appearance

- G. All Scripts Pharmacy – Kissimmee, FL
- H. Astro Pharmacy – Glendale, CA
- I. Carrollton Prescription Shop – Haleyville, AL
- J. Hopkinton Drug, Inc. – Hopkinton, MA
- K. Florida Pharmacy Solutions, Inc. – Zephyr Hills, FL
- L. Jay Pharmacy of Jay, Florida Inc. – Jay, FL
- M. Ladd Family Pharmacy, LLC – Boise, ID
- N. PerformSpecialty, LLC – Orlando, FL
- O. Rx Unlimited – Beverly Hills, CA
- P. Vital Med Rx – Morristown, TN
- Q. Westwood Pharmacy Clinical Services – Richmond, VA

Applications for Out-of-State Wholesaler – Non Appearance

- R. Adamis Pharmaceuticals Corporation – San Diego, CA
- S. Dsquared Pharmaceuticals Inc. – Phoenix, AZ
- T. Eagle Pharmacy, Inc. – Birmingham, AL
- U. Egalet US Inc. – Wayne, IN
- V. Haemonetics Corporation – Draper, UT

- W. Letco Medical, LLC – Decatur, IL
- X. McKesson Medical-Surgical Inc. Jacksonville, FL
- Y. Med-Pro Distributors, LLC – Charlotte, NC
- Z. Merrimack Pharmaceuticals, Inc. – Cambridge, MA
- AA. NuCare Pharmaceuticals, Inc. – Orange, CA
- BB. Pharmacyclics LLS – Sunnyvale, CA
- CC. QuVA Pharma, Inc. – Sugar Land, TX
- DD. Recro Gainesville LLC – Gainesville, FL
- EE. Specialty Pharmaceutical Services 1 – La Verge, TN
- FF. Specialty Pharmaceutical Services 2 – La Verge, TN

Applications for Out-of-State MDEG – Non Appearance

- GG. JJ. Breg, Inc. – Grand Prairie, TX
- HH. Infinity Medical – Lincoln, NE
- II. Mayo Clinic Stores Siebens – Rochester, MN
- JJ. Nationwide Home Medical Supply, Inc. – San Diego, CA
- KK. Premier Home Medical Supplies – Tarpan Springs, FL
- LL. Ulthera, Inc. – Mesa, AZ
- MM. United States Medical Supply, Inc. – Miami, FL
- NN. US Med, LLC – Miami, FL
- OO. YNC Enterprise, Inc. – Newport Beach, CA

Applications for Nevada MDEG – Non Appearance

- PP. Care Chest of the Sierra Nevada – Reno
- QQ. Orthopedic Motion Inc. – Las Vegas
- RR. Prosthetic Center of Excellence, Inc. – Las Vegas

Applications for Nevada Pharmacy – Non Appearance

- SS. ACRx Specialty Pharmacy – Las Vegas
- TT. Nevada Surgical Suites – Las Vegas
- UU. Refill Pharmacy, LLC – Las Vegas
- VV. Ridley's Pharmacy #1135 – Winnemucca
- WW. Silver Stage Pharmacy – Silver Springs
- XX. The LV Surgery Center LLC – Las Vegas

Board Action:

Motion: Kirk Wentworth moved to approve the Consent Agenda applications with the exception of Item 3.II. Mayo Clinic Store Siebens.

Second: Cheryl Blomstrom

Action: Passed Unanimously

Board Staff distributed a list of products that will be sold by Mayo Clinic Store Siebens.

After examination of the list the Board determined that the items listed were classified as Respiratory Equipment and that emergency contact information was necessary to complete the application.

Board Action:

Motion: Tallie Pederson moved to approve Mayo Clinic Store Siebens' Application for Out-of-State MDEG License pending verification of emergency contact information.

Second: Cheryl Blomstrom

Action: Passed unanimously

#### 4. Discipline

A. VetSource Home Delivery (15-042-PH-O)

This matter was continued to the December 2015 Pharmacy Board Meeting.

B. Hitesh Amin, R.Ph (15-035-RPH-S)

C. Sav-on Pharmacy #6093 (15-035-PH-S)

Christine Cassetta, Quarles & Brady, was present as counsel representing all respondents.

Mr. Edwards explained that in May 2015, Board Staff received notification from a physician's office that an error occurred at Sav-On Pharmacy #6093. He stated that on March 26, 2015, the patient saw her physician and received a prescription for thirty (30) amitriptyline 10 mg. Mr. Edwards stated that on March 28, 2015, Mr. Amin performed patient counseling at the time of pickup.

Mr. Edwards explained that while processing a refill request, pharmacist Rickey Smith discovered that the initial fill sold to the patient's husband on March 28, 2015, contained amitriptyline 100 mg. tablets, rather than the amitriptyline 10 mg. tablets as prescribed. Mr. Smith contacted the physician to report the error and it was discovered that the patient ingested twenty-nine tablets of the wrong medication before the error was discovered.

Mr. Edwards further stated that the error originated when pharmaceutical technician Janet Nyeholt inadvertently typed amitriptyline 100 mg. tablets rather than amitriptyline 10 mg. tablets. Mr. Amin performed the final product verification, but did not detect that the prescription bottle contained the incorrect strength.

Ms. Cassetta stated that Mr. Amin did not pull the prescription hard copy and had performed the final product verification based on the incorrect data entry. She apologized on Mr. Amin's behalf and stated that he has already made changes to prevent this error from occurring in the future.

Mr. Edwards presented a Stipulation and Order regarding Mr. Amin and Sav-On Pharmacy for the Board's consideration. Ms. Cassetta admits that evidence exists to establish a factual basis for the violations alleged in the Accusation.

Mr. Amin shall receive a Letter of Reprimand from the Board's Executive Secretary, pay a fine of \$500.00 for dispensing an incorrect medication that was ingested without verifiable harm, pay a fine of \$750.00 for failing to adequately counsel and complete four additional CEs, one hour on the topic of proper counselling, two hours on error prevention or proper product verification practices and one hour on ethics or Nevada law.

Sav-On shall pay an administrative fee of \$495.00 and shall, within 30 days of the Order, require all pharmacists in Southern Nevada to complete internal training on proper counseling and error prevention policies. Once each pharmacist signs a record indicating completion of training, Sav-On shall forward the record to Board Staff for review and verification.

Board discussion ensued regarding the seriousness of errors by technicians and the opportunity available at counseling to catch any errors.

Board Action:

Motion: Kirk Wentworth moved to accept the Stipulation and Order as presented.

Second: Tallie Pederson

Action: Passed unanimously

D.	Douglas Cammann, R.Ph	(15-049-RPH-S)
E.	AnazaoHealth Corporation	(15-049-PH-S)

Douglas Cammann, managing pharmacist, appeared and was sworn by President Basch prior to answering questions or offering testimony.

Mr. Edwards explained to the Board that in July 2015, Texas Tech University Health Sciences Center School of Pharmacy contacted Board Staff to report that Sung Lee worked as an intern pharmacist at AnazaoHealth Corporation for approximately 240 hours without a Nevada intern registration. He stated that on July 17, 2015, Board Staff served Ms. Lee with a Cease and Desist Order and Citation for the Unlawful Practice of Pharmacy. Mr. Edwards added that Ms. Lee has already paid the \$1,000.00 satisfying her fine.

Mr. Edwards explained that as the managing pharmacist for the pharmacy that Ms. Lee worked in without a current intern pharmacist registration, Mr. Cammann violated multiple statutes. He further stated that AnazaoHealth Corporation was statutorily responsible for the actions of its employees.

Mr. Edwards presented a Stipulation and Order regarding Mr. Cammann and AnazaoHealth Corporation for the Board's consideration. The respondents admit that evidence exists to establish a factual basis for the violations alleged in the Accusation.

Mr. Cammann shall receive a public letter of reprimand from the Board's Executive Secretary, complete an additional CE on pharmacist in charge responsibilities, and pay a fine of \$250.00.

AnazaoHealth Corporation shall submit a letter to Board Staff within thirty days outlining and explaining the policies and procedures AnazaoHealth Corporation has or will establish to prevent employees from working without valid and appropriate license or registration, pay an administrative fee of \$500.00 and pay a fine of \$600.00.

Mr. Cammann apologized to the Board for the oversight and testified that AnazaoHealth Corporation has already created policies to prevent any future reoccurrence.

Board Action:

Motion: Cheryl Blomstrom moved to accept the Stipulation and Order as presented.

Second: Jason Penrod

Action: Passed unanimously

F. Shanelle Gayles, PT (15-050-PT-S)

Mr. Edwards advised the Board that Ms. Gayles was not present.

Mr. Edwards moved to have Exhibits admitted. President Basch accepted the Exhibits into the record.

Mr. Edwards explained that on or about June 26, 2015, Board Staff received notification from a CVS Regulatory Affairs Director indicating that CVS had terminated Ms. Gayles from her employment as a pharmaceutical technician at CVS Pharmacy #08800. CVS terminated Ms. Gayles' employment for filling fraudulent prescriptions and diverting phentermine. Mr. Edwards stated that CVS received the information in May 2015 through the CVS Ethics line. Ms. Gayles' former boyfriend, who was the recipient of the phentermine, provided the information.



Mr. Edwards reviewed the Exhibits for the Board. He presented a copy of the certified mail receipt indicating Ms. Gayles signed for the Notice of Intended Action and Accusation and a copy of the hearing announcement mailed to Ms. Gayles. Mr. Edwards also presented a statement from Ms. Gayles explaining the diversion to a CVS Investigator and a copy of the DEA-106 Report of a Loss of Controlled Substances.

Board Action:

Motion: Kevin Desmond moved to find that the allegations in the Notice of Intended Action have been proven and to find Shanelle Gayles guilty of the First and Second Causes of Action.

Second: Tallie Pederson

Action: Passed unanimously

Mr. Edwards stated that Board Staff recommends revocation of Ms. Gayles pharmaceutical technician registration.

Board Action:

Motion: Cheryl Blomstrom moved to revoke Shanelle Gayles' pharmaceutical technician registration.

Second: Tallie Pederson

Action: Passed unanimously

G.	Linchi Li, R.Ph	(15-022-RPH-A-S)
H.	Eric Van Meter, R.Ph	(15-022-RPH-B-S)
I.	Von's Pharmacy #2615	(15-022-PH-S)

Christine Cassetta, Quarles & Brady, was present as counsel representing all respondents.

Mr. Edwards stated that on or about April 2015, a customer filed a complaint with Board Staff alleging that on multiple occasions, Von's pharmacist, Linchi Le failed to offer and/ or provide counseling for new prescriptions for the complainant and members of her family including a prescription for Epipen JR 0.15 mg injectable solution for the complainant's son and a prescription for Fluticasone 50 mcg for the complainant's husband.

Mr. Edwards explained that despite clear evidence that counseling did not occur, Von's records indicated that counseling was accepted. In both cases the initials for Pamela Walters or Stephanie Revero, pharmaceutical technicians, appear in the "Counseling Initials" or "RPh" fields.

Ms. Cassetta explained that in 2015 Alberston's acquired Von's Pharmacy. She further stated that Albertson's is currently transitioning to a new computer system that included biometric authentication. She explained that scanning an employee's fingerprint would eliminate the need to enter initials into a Counseling and RPh field at prompted times during prescription filling and transaction. Ms. Cassetta stated that in the interim until the biometric system is in place, Von's Pharmacy will be utilizing a paper log to track counseling.

Jessica Covaci, New Albertsons Inc. Director of Pharmacy Compliance, was present and stated that she is a resource for and supports the division managers during this transition period.

Mr. Edwards presented a Stipulation and Order regarding Ms. Le, Mr. Van Meter and Von's Pharmacy for the Board's consideration. The respondents admit that evidence exists to establish a factual basis for the violations alleged in the Accusations that Ms. Le failed to provide counseling on E.J.'s prescription for EpiPen JR, and failed to provide counseling on Mr. Johnson's prescription for Fluticasone 50 mcg. Mr. Edwards further explained that as managing pharmacist who knew of and allowed the foregoing violations, Eric Van Meter violated NRS 639.210(15). Mr. Edwards further stated that Von's Pharmacy is statutorily responsible for the actions of pharmacists Linchi Le and Eric Van Meter.

Ms. Le shall receive a Letter of Reprimand from the Board's Executive Secretary, pay a fine of \$750.00 for the first failure to counsel, pay a fine of \$1,000.00 for the second failure to counsel, and complete two additional CE hours on the topic of staff pharmacist roles and responsibilities.

Mr. Van Meter shall receive a Letter of Reprimand from the Board's Executive Secretary, pay a fine for \$1,000.00 and complete two additional CE hours on the topic of managing pharmacist roles and responsibilities.

Von's Pharmacy #2615 shall pay an administrative fee of \$495.00, pay a fine of \$2,500.00 for failing to make the software corrections agreed to and required by the 2012 Stipulated Order, and shall make the software corrections necessary to bring its software compliant with the 2012 Stipulation and Order and current Nevada pharmacy law and regulations within 90 days. If Von's cannot update its software within 90 days, Von's agrees to utilize a manual log to track counseling at its pharmacies until the software is updated.

Board Staff will contact the pharmaceutical technicians involved, convey the impact of their actions, and reinforce the importance of technicians following proper store policy and procedure and pharmacy law and regulations.

Board Action:

Motion: Cheryl Blomstrom moved to accept the Stipulation and Order as presented

Second: Kirk Wentworth

Action: Passed unanimously

5. Application for Out-of-State Wholesaler – Appearance

Alexso Inc. – Los Angeles, CA

Hootan Melamed, part owner, appeared and was sworn by President Basch prior to answering questions or offering testimony.

Mr. Edwards explained that Alexso Inc. has appeared at a previous Board meeting to apply for an Out-of-State Wholesaler License. He stated that the Board requested Mr. Melamed to appear in order to answer questions regarding Concierge Compounding Pharmaceuticals, Inc. (Concierge), a pharmacy that Mr. Melamed had previously partially owned.

Mr. Melamed explained that Alexso Inc was formed in 2011. He stated that Alexso Inc. specializes in selling cyclobenzaprine, tramadol and Trezix to pharmacies exclusively for worker compensation claims.

The Board questioned Mr. Melamed regarding past discipline against himself and Concierge including the denial of Concierge's pharmacy license by the South Carolina Board of Pharmacy and administrative actions by the Oregon and Texas Boards of Pharmacy.

Mr. Melamed testified that he could not recall the specific details of the past administrative actions.

The Board expressed concern for Mr. Melamed's inability to answer questions regarding the past administrative actions and disciplines especially considering that Mr. Melamed was part owner of the company at the time of these actions.

Board discussion ensued regarding their reservations regarding Alexso Inc.'s leadership and stressed that they did not believe it would be in the best interest of the public to approve this application.

Board Action:

Motion: Cheryl Blomstrom moved to deny Alexso Inc.'s Application for Out-of-State Wholesaler License.

Second: Jason Penrod

Action: Passed unanimously

6. Application for Renewal of Pharmacist License – Appearance

David Moll

This matter was rescheduled for the December 2015 Board Meeting.

7. Application for Pharmacist License by Reciprocity – Appearance

Cory H. McGuinn-Parks

Cory McGuinn-Parks appeared and was sworn by President Basch prior to answering questions or offering testimony.

Mr. McGuinn-Parks explained that he appeared before the Board to request approval of his application by reciprocity as a pharmacist. He stated that in 2002 he was charged and arrested for the distribution of cocaine based products.

Mr. McGuinn-Parks answered questions to the Board's satisfaction regarding his arrest, rehabilitation, education and restrictions to his license.

The Board commended Mr. McGuinn-Parks on changing his life and encouraged him to continue his hard work in the future.

Board Action:

Motion: Kirk Wentworth moved to approve Cory McGuinn-Parks' Application for Pharmacist License by Reciprocity.

Second: Tallie Pederson

Action: Passed unanimously

8. Application for Physician Assistant to Dispense – Appearance

Heather L. Rohrer, PA

Ms. Rohrer contacted Board Staff to withdraw her Application for Authority to Dispense Drugs.

9. Request for Reinstatement of Revoked Pharmaceutical Technician License – Appearance

Siovyonne Sims

Tallie Pederson recused from participation in this matter due to her employment with Walgreens.

Siovonne Sims appeared and was sworn by President Basch prior to answering questions or offering testimony.

Mr. Edwards stated that Ms. Sims appeared before the Board in April 2014. He explained that Walgreens terminated her employment for diverting 21 bottles of Alprazolam 2mg tablets. At that time, the Board revoked Ms. Sims' pharmaceutical technician license.

Ms. Sims addressed questions from the Board regarding her present employment as well as the status of her Court Order. Ms. Sims explained that she is currently working at AutoZone. She is also in the process of paying the fines and explained that once she completes the requirements by the Court ordered probation, the felony charges will be reduced to a gross misdemeanor.

Board discussion ensued regarding the inability to reinstate Ms. Sims while a felony charge is on her record. The Board expressed appreciation for Ms. Sims claiming responsibility for her actions and encouraged her to request reinstatement after completing the requirements of her Court Order.

Ms. Sims withdrew her request for reinstatement of her pharmaceutical technician license.

10. Request for Reconsideration of Board Order – Appearance for Possible Action

Flotsol, Inc.

(13-046-MP-S)

This matter was continued to a later date.

11. Applications for Nevada MDEG – Appearance for Possible Action:

A. Apnea Medical Services – Las Vegas

Callie Hines, owner, Michael Huff, facility administrator, and Larry Espadero, Director of PRN-PRN, appeared and were sworn by President Basch prior to answering questions or offering testimony.

Ms. Hines stated that Apnea Medical Services would be focused on selling respiratory devices to those with chronic respiratory diseases.

Mr. Huff explained that he is a respiratory therapist and is currently employed part time with St. Rose Hospital. He informed the Board that pending approval of Apnea Medical Services' application, he would be leaving his position at St. Rose Hospital. Mr. Huff assured the Board that he would not be referring any patients from St. Rose to Apnea Medical Services.

Ms. Hines and Mr. Huff answered questions to the Board's satisfaction regarding the products and services Apnea Medical Services intends to provide.

Mr. Espadero explained that Mr. Huff was a client in PRN-PRN until March 2013. Mr. Espadero spoke positively of Mr. Huff's recovery and volunteered to appear before the Board on Mr. Huff's behalf.

Mr. Huff answered questions to the Board's satisfaction regarding past disciplinary issues and recovery.

Board Action:

Motion: Jason Penrod moved to approve Apnea Medical Services' Application for Nevada MDEG License.

Second: Cheryl Blomstrom

Action: Passed unanimously

B. HST, LLC – Henderson

There was no representative present on behalf of HST, LLC.

C. U.S. Homecare – Las Vegas

There was no representative present on behalf of U.S. Homecare.

12. Applications for Nevada Pharmacy – Appearance for Possible Action:

A. Consonus Pharmacy Services, LLC – Las Vegas

Eric Lintner, managing pharmacist, appeared and was sworn in by President Basch prior to answering questions or offering testimony.

Mr. Lintner explained that Consonus Pharmacy Services, LLC (Consonus) had previously applied and been approved for an Out-of-State Pharmacy License. He stated that he was appearing before the Board because Consonus was looking to build a retail pharmacy in Nevada in order to service a nursing home in the Las Vegas area.

The Board questioned Mr. Lintner regarding Consonus's past disciplinary actions.

Josh Free, General Manager at Consonus Pharmacy Services, LLC Oregon Location, appeared and was sworn by President Basch prior to answering questions or offering testimony.

Mr. Free answered questions to the Board's satisfaction regarding the past disciplinary actions at Consonus' Oregon location. Mr. Free explained that Consonus had a disciplinary action with the Oregon Board of Pharmacy regarding the proper verification practices for

emergency kits in Oregon skilled nursing facilities. Mr. Free stated that per the Stipulated Agreement with the Oregon Board of Pharmacy, the Quality Assurance Plan is in place and is being followed. He further stated that he could provide the Quality Assurance Plan at the Board's request.

The Board questioned Mr. Lintner and Mr. Free regarding Phillip and Steven Fogg, part owners, background and past lawsuits.

Beth Biggs, Vice President of Operations Consonus, appeared and was sworn by President Basch prior to answering questions or offering testimony.

Ms. Biggs explained that she has worked for the Fogg brothers for about 25 years. She stated that the lawsuits were not pharmaceutical related and primarily had to do with the nursing facility issues such as patient falls or employment related issues.

Mr. Lintner, Mr. Free and Ms. Biggs answered questions to the Board's satisfaction.

Board Action:

Motion: Jason Penrod moved to approve Consonus Pharmacy Services, LLC's application for Nevada Pharmacy License pending review by Board Staff that Consonus Pharmacy Services, LLC is in compliance with the Oregon Board of Pharmacy's Order.

Second: Cheryl Blomstrom

Action: Passed unanimously

B. Craig Rd. Pharmacy – North Las Vegas

Ashley Slocum, managing pharmacist, and Edward Curry, managing partner, appeared and were sworn in by President Basch prior to answering questions or offering testimony.

Ms. Slocum explained that Craig Rd. Pharmacy is an independent retail pharmacy with free delivery service that will primarily work to serve nursing homes, group homes, and other long term care facilities.

Ms. Slocum answered questions to the Board's satisfaction regarding her past experience in pharmacy. Ms. Slocum stated that she is currently in the process of reciprocating her license from Louisiana.

The Board questioned Ms. Slocum and Mr. Curry regarding the pharmacy's building plans, staffing and policies and procedure.

The Board encouraged Ms. Slocum and Mr. Curry to reach out to Board Staff for guidance on writing Craig Rd. Pharmacy's policies and procedures.

Board Action:

Motion: Kevin Desmond moved to approve Craig Rd. Pharmacy's Application for Nevada Pharmacy License.

Mr. Penrod offered a friendly amendment to include approval of Craig Rd. Pharmacy's Application for Nevada Pharmacy License pending positive inspection.

Mr. Desmond accepted the friendly amendment.

Second: Tallie Pederson

Action: Passed unanimously

C. Precision Specialty Pharmacy – Las Vegas

Dominik Bialek, managing pharmacist, and George Maiorano, owner, appeared and were sworn by President Basch prior to answering questions or offering testimony.

Jonathan Leleu was present as counsel representing Precision Specialty Pharmacy.

Cheryl Blomstrom disclosed that she is familiar with Mr. Leleu, but stated that this would not conflict with her participation in this matter.

President Basch disclosed that he knows Mr. Bialek from his place of employment and felt that his participation in this matter would not be in conflict.

Mr. Maiorano answered questions to the Board's satisfaction regarding his educational background and work history.

Mr. Wuest stated that historically under previous ownership, Precision Specialty Pharmacy has had issues cited during past inspections by Board Staff.

Ray Seidlinger, Inspector for the Nevada State Board of Pharmacy, appeared and was sworn by President Basch prior to answering questions or offering testimony.

Mr. Seidlinger reviewed past concerns discovered during Board Staff's inspections of Precision and provided guidance to Mr. Bialek and Mr. Maiorano on issues that needed to be resolved. Mr. Seidlinger suggested that Precision Specialty Pharmacy be prepared for an inspection by Board Staff at any time, to have accurate and complete records available for review. He also requested a list of all sterile and non-sterile products compounded in the last year and documentation that testing for sterility, stability and endotoxins are being done. Mr.



Seidlinger stated that Precision Specialty Pharmacy is not to compound medications that are commercially available without significant medical reason.

Mr. Maiorano stated that he is aware of the record keeping issues Precision has had in the past and has made staffing and procedural changes to fix the issues.

The Board recommended that Mr. Bialek and Mr. Maiorano contact Board Staff to discuss compounded products that Precision can and cannot produce.

The Board updated Precision's application to include retail, out of state and parenteral to services provided at Mr. Bialek and Mr. Maiorano's request.

The Board stressed the importance of all employees being properly trained.

Board Action:

Motion: Jason Penrod moved to approve Precision Specialty Pharmacy's Application for Nevada Pharmacy License Ownership Change pending a positive inspection by Board Staff.

Second: Kirk Wentworth

Action: Passed unanimously

D. TruCare Pharmacy – Las Vegas

Mina Kolta, pharmacist and part owner, appeared and was sworn by President Basch prior to answering questions or offering testimony.

Mr. Kolta explained that TruCare Pharmacy has multiple locations in California that are primarily closed door pharmacies servicing long term care facilities. He stated that pending approval TruCare Pharmacy would like to open a retail pharmacy in Nevada.

Mr. Kolta explained that a friend recommended Leila Tafreshi for the managing pharmacist position and that he has met and interviewed her. Mr. Kolta informed the Board that TruCare Pharmacy's Director of Pharmacy already has a training plan prepared for her.

Mr. Kolta answered questions to Board's satisfaction regarding TruCare's policy and procedures, staffing, and services provided.

The Board updated TruCare Pharmacy's hours of operation to closed on Saturdays and Sundays at Mr. Kolta's request.

Motion: Jason Penrod moved to approve TruCare Pharmacy's Application for Nevada Pharmacy pending a positive inspection by Board Staff.

Second: Cheryl Blomstrom

Action: Passed unanimously

13. Application for Out-of-State Compounding Pharmacy – Appearance for Possible Action:

Premier Pharmacy Labs, Inc. – Brookville, FL

This matter was rescheduled to the December Board Meeting.

14. Request for Reduction of Surety Bond - Non Appearance for Possible Action:

Apotheca, Inc.

Mr. Wuest reviewed statute NRS 639.515 which addressed Surety Bonds for the Board.

Mr. Wuest explained that no representative from Apotheca, Inc. was present. Mr. Wuest stated that Board Staff had no concerns with reducing the Surety Bond.

Board Action:

Motion: Jason Penrod moved to reduce Apotheca, Inc. surety bond from \$100,000 to \$25,000.

Second: Cheryl Blomstrom

Action: Passed Unanimously

Public Comment (October 15, 2015 9:00 AM)

Cheryl Blomstrom and Tallie Pederson explained that they looked at 2 CE modules presented by Oregon State at President Basch's request. They stated that they would like to agendize the CE modules and present the modules to the Board as another possible option for pharmacist remediation.

15. Continuing Education Committee for Possible Action:

- A. Update in Diagnosis and Management of Primary Immunodeficiency
- B. Diabetes-Alzheimer's Management: Geriatric Interprofessional Simulation

Mr. Wuest explained that the Continuing Education Committee (CE Committee) received a request to approve two continuing education courses in Nevada that are not ACPE accredited.

Mr. Wentworth explained that the conference call meeting was called to order on August 27, 2015. He stated that the CE Committee discussed the two programs and after discussion approved both continuing education courses.

16. General Counsel Report for Possible Action

There was no General Counsel Report.

17. Executive Secretary Report for Possible Action:

A. Financial Report

Mr. Wuest presented the financials to the Board's satisfaction.

B. Temporary Licenses

Three temporary licenses were issued since the last meeting.

C. Staff Activities

1. Meetings with Hospitals, Hospital Associations & Health Care Board Exec.

Mr. Wuest explained that Mr. Pinson is at the NABP Executive Officer Forum in Chicago. He stated that Board Staff has met with a majority of the hospitals as well as the hospital associations and physicians associations in order to educate each group on SB 459.

2. Speaking Engagements:

a. NABP Executive Officer Forum

b. NVSHP

Mr. Depczynski spoke to Nevada Society of Health-System Pharmacists on October 3, 2015.

c. Dental Group

Mr. Pinson spoke to the Northern Nevada Dental Hygienists Association at Squaw Valley on October 17, 2015.

3. Compliance Officer Forum

Ken Scheuber will be attending NABP Compliance Officer and Legal Counsel Forum in December 2015.

4. Compliance Office Sterile Compounding Training – NABP

Joe Depczynski attended NABP Compliance Officer Sterile Compounding Training on October 6, 2015.

- D. Reports to Board
  - 1. Collaborative Efforts:
    - a. BOME; NSBVM; NSNB; DEA
  - 2. Update: District Meeting

Mr. Wuest stated that Board Staff has received many compliments on the NABP District 6, 7 and 8 Meeting.

### 3. Grants

Mr. Wuest provided a brief overview regarding the RPD and Harold Rogers Grants for the Board's information.

### E. Board Related News

#### 1. DEA 10<sup>th</sup> Drug Take-Back Day

Liz MacMenamin, RAN, stated that the Drug Take-Bake Day in Northern Nevada was very successful and reported to the Board that 2,100 lbs. of drugs were collected in Washoe County, Storey County and Lyon County that day.

Board discussion ensued regarding how to get more pharmacist participation in future Drug Take-Back events.

### F. Activities Report

#### 18. Proposed Regulation Amendment Workshop

**New Language to be added to NAC Chapter 639**, pursuant to the Good Samaritan Drug Overdose Act, SB 459 (2015), establishing educational requirements and standardized procedures or protocols for the furnishing of opioid antagonists by pharmacists and other appropriate entities to persons at risk of experiencing an opioid-related overdose or to a family member, friend or other person in a position to assist persons at risk of experiencing an opioid-related drug overdose

Mr. Wuest provided a brief background on SB 459 for the Board's information. Board discussion ensued regarding clarification of language in Sections 4, 6 and 7. The Board also further discussed the options available for non-profit organizations to obtain opioid antagonists, as well as the idea of forming a protocol for pharmacies regarding dispensing opioid antagonists.

The Board requested Board Staff to contact the Legislature and to clarify the intent of SB 459 regarding dispensing opioid antagonists.

President Basch opened the Public Comment.

Liz MacMenamin, RAN, supported the Board's request to have Board Staff contact Legislature to clarify the intent of the law. Ms. MacMenamin urged the Board to use caution in forming a protocol and stated that possible comparing to see what other States are doing.

Heidi Gustafson, Foundation for Recovery, stated that the intent of SB 459 was to make Naloxone readily available to the public. She expressed concern that if there were too many steps required to obtain Naloxone from pharmacies then non-profit organizations would be overwhelmed with patients and unable to supply their needs.

Trey Delap, Director of Group Six, stated that he supported Ms. Gustafson's comments on making Naloxone readily and easily available to the public without requiring extensive demographic information.

Karen Rosati, pharmacist, agreed that increasing public access to Naloxone is the intent of SB 459.

Board Action:

Motion: Jason Penrod moved to adopt the proposed amendments to Sections 6, 7 and 8 with the corrections to Sections 7 and 8 as discussed.

Second: Tallie Pederson

Action: Passed unanimously

Board Action:

Motion: Cheryl Blomstrom moved to take the remaining Sections to Workshop during the December 2015 Board Meeting.

Second: Jason Penrod

Action: Passed unanimously

19. Notice of Intent to Act Upon a Regulation

1. **Amendment of Nevada Administrative Code 453.510 – Schedule I**

The proposed amendment to NAC 453.510 will add newly identified synthetic drugs to the list of controlled substances listed on Schedule I.

Mr. Wuest and Mr. Edwards provided information for the Board.

President Basch opened the Public Comment

There was no public comment.

President Basch closed the Public Comment.

Board Action:

Motion: Kirk Wentworth moved to adopt the proposed amendment as presented.

Second: Jason Penrod

Action: Passed unanimously

**2. Amendment of Nevada Administrative Code (NAC) 639.620, NAC 639.6282, NAC 639.6305 – Third-Party Logistics Providers** The regulation amends the definition of third-party logistics providers (3PLs) to be consistent with the Federal Drug Quality and Security Act (DQSA). The amendment requires that a 3PL obtain a license as an authorized warehouse, rather than being licensed as a wholesaler as they have historically been licensed.

Cheryl Blomstrom recused from participation in this matter due to her previous representation of the Nevada Trucking Association.

Mr. Wuest mentioned that Paul Enos, CEO Nevada Trucking Association, submitted written public comment on behalf of UPS regarding their concerns on the proposed regulations.

Mr. Wuest and Mr. Edwards provided a brief background for the Board's information and explained that the intent of the amendment is to clarify the definition of 3PLs by adopting the Federal definition.

President Basch opened the Public Comment.

Paul Enos appeared and was sworn by President Basch prior to answering questions or offering testimony.

Mr. Enos stated that he has appeared before the Board on behalf of UPS. He explained that UPS has two locations in Nevada that are currently licensed as 3PLs. He explained that having a single federal license instead of 50 separate state licenses with different requirements in each state would be more efficient and would provide uniformity for the 3PLs.

The Board expressed concern that if 3PLs were not licensed by the State then there would be no ability to take action if a 3PL violated the law.

Board Action:

Motion: Kirk Wentworth moved to adopt the proposed amendment as presented.

Second: Kevin Desmond

The Board expressed concern that the Federal guidelines, due on November 27, 2015, may change the current definition of 3PLs. The Board discussed waiting until the guidelines are released to make a more informed decision.

Kirk Wentworth withdrew the motion. Kevin Desmond withdrew the second.

Board Action:

Motion: Kirk Wentworth moved to table this matter until the December 2015 Board Meeting.

Second: Kevin Desmond

Action: Passed unanimously

3. **Amendment of Nevada Administrative Code (NAC) 639.050 and NAC 639.498** The proposed amendment will update the regulations to comply with current federal regulations allowing pharmacies, manufacturers, wholesalers, hospital pharmacies, and retail pharmacies to take prescription drugs back based on the September 9, 2014, DEA guidelines. These entities must obtain registration as an authorized collector from the DEA.

Mr. Edwards provided information for the Board.

President Basch opened Public Comment.

There was no public comment.

President Basch closed Public Comment.

Board Action:

Motion: Jason Penrod moved to adopt the proposed amendment as presented.

Second: Cheryl Blomstrom

Action: Passed unanimously

4. **Amendment of Nevada Administrative Code (NAC) 639.609, NAC 639.610, NAC 639.615; 639.New Language** The proposed amendment will require an outsourcing facility to obtain a license as a manufacturer if the outsourcing facility is engaged in the compounding of sterile drugs. The proposed amendment will update the regulation to be consistent with federal Drug Quality and Security Act (DQSA).

Mr. Wuest and Mr. Edwards provided information for the Board.

President Basch opened Public Comment.

There was no public comment.

President Basch closed Public Comment.

Motion: Jason Penrod moved to adopt the proposed amendment as presented.

Second: Kevin Desmond

Action: Passed unanimously

20. Next Board Meeting:

December 2-3, 2015 – Reno

21. Public Comment

There was no public comment.



A

# NEVADA STATE BOARD OF PHARMACY

431 W Plumb Lane – Reno, NV 89509

## APPLICATION FOR OUT-OF-STATE PHARMACY LICENSE

\$500.00 Fee made payable to: Nevada State Board of Pharmacy

(non-refundable and not transferable money order or cashier's check only)

Application must be printed legibly or typed

Any misrepresentation in the answer to any question on this application is grounds for refusal or denial of the application or subsequent revocation of the license issued and is a violation of the laws of the State of Nevada.

☒ New Pharmacy or ☐ Ownership Change (Provide current license number if making changes: PH\_\_\_\_)  
Check box below for type of ownership and complete all required forms.  
☐ Publicly Traded Corporation – Pages 1,2,3,7 ☐ Partnership – Pages 1,2,5,7  
☒ Non Publicly Traded Corporation – Pages 1,2,4,7 ☐ Sole Owner – Pages 1,2,6,7

### GENERAL INFORMATION to be completed by all types of ownership

Pharmacy Name: Brightwell Health

Physical Address: 10153 E 79th St Suite 102

Mailing Address: \_\_\_\_\_

City: Tulsa State: OK Zip Code: 74133

Telephone: 918-940-6200 Fax: 918-940-6398

Toll Free Number: 888-920-7055 (Required per NAC 639.708)

E-mail: Laura.Reibenstein@ctca-hope.com Website: N/A

Managing Pharmacist: Laura Reibenstein License Number: 2-7422

### TYPE OF PHARMACY

AND

### SERVICES PROVIDED

Yes/No

- ☒ Retail  
☐ ☒ Hospital (# beds \_\_\_\_\_)  
☐ ☒ Internet  
☐ ☒ Nuclear  
☐ ☒ Ambulatory Surgery Center  
☐ ☒ Community  
☐ ☒ Other: \_\_\_\_\_

All boxes must be checked

For the application to be complete

Yes/No

- ☐ ☒ Off-site Cognitive Services  
☐ ☒ Parenteral \*\*  
☐ ☒ Parenteral (outpatient)  
☐ ☒ Outpatient/Discharge  
☒ Mail Service  
☐ ☒ Long Term Care  
☐ ☒ Sterile Compounding \*\*  
☐ ☒ Non Sterile Compounding  
☐ ☒ Mail Service Sterile Compounding \*\*  
☐ ☒ Other Services: \_\_\_\_\_

**\*\*If you check "yes" on any of these types of services, you will be required to make an appearance at the board meeting,**

90809

B

## NEVADA STATE BOARD OF PHARMACY

431 W Plumb Lane – Reno, NV 89509

## APPLICATION FOR OUT-OF-STATE PHARMACY LICENSE

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☒ Non Publicly Traded Corporation – Pages 1,2,4,7 ☐ Sole Owner – Pages 1,2,6,7

## GENERAL INFORMATION to be completed by all types of ownership

Pharmacy Name: Cleveland Clinic Specialty / Home Delivery Pharmacy *The Cleveland Clinic dba*  
Physical Address: 3175 Science Park Drive AC4b-100 Beachwood Ohio 44122  
Mailing Address: 9500 Euclid Avenue AC4b-100  
City: Cleveland State: Ohio Zip Code: 44195  
Telephone: 216 448-7732 Fax: 216 448-5601  
Toll Free Number: 1-844-216-7732 (Required per NAC 639.708)  
E-mail: carrold@cct.org Website: http://myclevelandclinic.org  
Managing Pharmacist: Donald Carroll License Number: 033-14174 *Ohio*

## TYPE OF PHARMACY AND

## SERVICES PROVIDED

Yes/No

- ☒ ☐ Retail  
☐ ☒ Hospital (# beds \_\_\_\_\_)  
☐ ☒ Internet  
☐ ☒ Nuclear  
☐ ☒ Ambulatory Surgery Center  
☐ ☒ Community  
☐ ☒ Other: \_\_\_\_\_

All boxes must be checked

For the application to be complete

Yes/No

- ☐ ☒ Off-site Cognitive Services  
☐ ☒ Parenteral \*\*  
☐ ☒ Parenteral (outpatient)  
☐ ☒ Outpatient/Discharge  
☒ ☐ Mail Service  
☐ ☒ Long Term Care  
☐ ☒ Sterile Compounding \*\*  
☐ ☒ Non Sterile Compounding  
☐ ☒ Mail Service Sterile Compounding \*\*  
☐ ☒ Other Services: \_\_\_\_\_

\*\*If you check "yes" on any of these types of services, you will be required to make an appearance at the board meeting,

90319

# NEVADA STATE BOARD OF PHARMACY

431 W Plumb Lane – Reno, NV 89509

## APPLICATION FOR OUT-OF-STATE PHARMACY LICENSE

\$500.00 Fee made payable to: Nevada State Board of Pharmacy

(non-refundable and not transferable money order or cashier's check only)

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☐ Publicly Traded Corporation – Pages 1,2,3,7

☐ Partnership – Pages 1,2,5,7

☒ Non Publicly Traded Corporation – Pages 1,2,4,7

☐ Sole Owner – Pages 1,2,6,7

### GENERAL INFORMATION to be completed by all types of ownership

Pharmacy Name: CSR Company, Inc.

Physical Address: 11701 Centennial Rd, Suites 2+3

Mailing Address: 11701 Centennial Rd, Suites 2+3

City: Lavista State: NE Zip Code: 68128

Telephone: 402-738-4435 Fax: 888-809-6040

Toll Free Number: 800-367-4444 (Required per NAC 639.708)

E-mail: pharmacy@csrcoinc.com Website: petsuppliesdelivered.com

Managing Pharmacist: JAMES C. OEHM License Number: 7950

### TYPE OF PHARMACY

AND

### SERVICES PROVIDED

Yes/No

- ☒ ☐ Retail  
☐ ☒ Hospital (# beds \_\_\_\_\_)  
☐ ☒ Internet  
☐ ☒ Nuclear  
☐ ☒ Ambulatory Surgery Center  
☒ ☐ Community  
☒ ☐ Other: Veterinary only

All boxes must be checked

For the application to be complete

Yes/No

- ☐ ☒ Off-site Cognitive Services  
☐ ☒ Parenteral \*\*  
☐ ☒ Parenteral (outpatient)  
☐ ☒ Outpatient/Discharge  
☒ ☐ Mail Service  
☐ ☒ Long Term Care  
☐ ☒ Sterile Compounding \*\*  
☐ ☒ Non Sterile Compounding  
☐ ☒ Mail Service Sterile Compounding \*\*  
☐ ☒ Other Services: \_\_\_\_\_

\*\*If you check "yes" on any of these types of services, you will be required to make an appearance at the board meeting,

90416

D

## NEVADA STATE BOARD OF PHARMACY

431 W Plumb Lane – Reno, NV 89509

## APPLICATION FOR OUT-OF-STATE PHARMACY LICENSE

\$500.00 Fee made payable to: Nevada State Board of Pharmacy

(non-refundable and not transferable money order or cashier's check only)

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☐ Publicly Traded Corporation – Pages 1,2,3,7☐ Partnership – Pages 1,2,5,7☒ Non Publicly Traded Corporation – Pages 1,2,4,7☐ Sole Owner – Pages 1,2,6,7**GENERAL INFORMATION to be completed by all types of ownership**Pharmacy Name: Caremark Arizona Specialty Pharmacy, L.L.C. dba CVS/specialtyPhysical Address: 2700 West Frye Road, Suite 200, Chandler, AZ 85224-4950Mailing Address: Attn: Licensure and Certification 555 17th Street, Suite 1500City: Denver State: CO Zip Code: 80202Telephone: (480) 899-4408 Fax: (480) 899-4888Toll Free Number: (800) 755-1744 (Required per NAC 639.708)E-mail: N/A Website: www.caremark.comManaging Pharmacist: Elizabeth Rodriguez License Number: S012795**TYPE OF PHARMACY AND****SERVICES PROVIDED**

Yes/No

- ☐ ☒ Retail  
☐ ☒ Hospital (# beds \_\_\_\_)  
☐ ☒ Internet  
☐ ☒ Nuclear  
☐ ☒ Ambulatory Surgery Center  
☐ ☒ Community

☒ ☐ Other: Remote Prescription / Medication  
Order Processing\*\* see attached

All boxes must be checked

For the application to be complete

Yes/No

- ☐ ☒ Off-site Cognitive Services  
☐ ☒ Parenteral \*\*  
☐ ☒ Parenteral (outpatient)  
☐ ☒ Outpatient/Discharge  
☐ ☒ Mail Service  
☐ ☒ Long Term Care

☐ ☒ Sterile Compounding \*\*

☐ ☒ Non Sterile Compounding

☐ ☒ Mail Service Sterile Compounding \*\*

☒ ☒ Other Services: Remote Prescription / Medication  
Order Processing\*\* see attached

\*\*If you check "yes" on any of these types of services, you will be required to make an appearance at the board meeting,

90329 ✓

# NEVADA STATE BOARD OF PHARMACY

431 W Plumb Lane – Reno, NV 89509

## APPLICATION FOR OUT-OF-STATE PHARMACY LICENSE

\$500.00 Fee made payable to: Nevada State Board of Pharmacy

(non-refundable and not transferable money order or cashier's check only)

Application must be printed legibly or typed

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☐ Publicly Traded Corporation – Pages 1,2,3,7

☐ Partnership – Pages 1,2,5,7

☒ Non Publicly Traded Corporation – Pages 1,2,4,7

☐ Sole Owner – Pages 1,2,6,7

### GENERAL INFORMATION to be completed by all types of ownership

Pharmacy Name: Hollis Prescription Center Inc

Physical Address: 205-11 Jamaica Ave Hollis Ny 11423

Mailing Address: 205-11 Jamaica Ave

City: Hollis State: New York Zip Code: 11423

Telephone: (718) 776-2329 Fax: (718) 776-2339

Toll Free Number: (844) 776-2329 (Required per NAC 639.708)

E-mail: hollisrxcenter@gmail.com Website: www.hollisrxcenter.com

Managing Pharmacist: Renita Nai License Number: 049500 (Ny)

### TYPE OF PHARMACY AND

### SERVICES PROVIDED

Yes/No

- ☒ ☐ Retail  
☐ ☒ Hospital (# beds \_\_\_\_)  
☐ ☒ Internet  
☐ ☒ Nuclear  
☐ ☒ Ambulatory Surgery Center  
☒ ☐ Community  
☐ ☒ Other: \_\_\_\_\_

All boxes must be checked

For the application to be complete

Yes/No

- ☐ ☒ Off-site Cognitive Services  
☐ ☒ Parenteral \*\*  
☐ ☒ Parenteral (outpatient)  
☐ ☒ Outpatient/Discharge  
☒ ☐ Mail Service  
☐ ☒ Long Term Care  
☐ ☒ Sterile Compounding \*\*  
☐ ☒ Non Sterile Compounding  
☐ ☒ Mail Service Sterile Compounding \*\*  
☐ ☒ Other Services: \_\_\_\_\_

\*\*If you check "yes" on any of these types of services, you will be required to make an appearance at the board meeting,

90323

**NEVADA STATE BOARD OF PHARMACY**

431 W Plumb Lane -- Reno, NV 89509

**APPLICATION FOR OUT-OF-STATE PHARMACY LICENSE**

\$500.00 Fee made payable to: Nevada State Board of Pharmacy

(non-refundable and not transferable money order or cashier's check only)

Application must be printed legibly or typed

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Check box below for type of ownership and complete all required forms.  
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☒ Non Publicly Traded Corporation – Pages 1,2,4,7 ☐ Sole Owner – Pages 1,2,6,7

**GENERAL INFORMATION to be completed by all types of ownership**

Pharmacy Name: Sina Drug LLC d/b/a Onco360

Physical Address: 1901 Campus Place suite 100

Mailing Address: 1901 Campus Place suite 100

City: Louisville State: KY Zip Code: 40299

Telephone: 877-662-6633 Fax: 877-662-6355

Toll Free Number: 877-662-6633 (Required per NAC 639.708)

E-mail: Laurel.Cohen@onco360.com Website: www.onco360.com

Managing Pharmacist: Julie Owen License Number: 014841

**TYPE OF PHARMACY**

**AND**

**SERVICES PROVIDED**

Yes/No

- ☒ ☐ Retail  
☐ ☒ Hospital (# beds \_\_\_\_)  
☐ ☒ Internet  
☐ ☒ Nuclear  
☐ ☒ Ambulatory Surgery Center  
☐ ☒ Community  
☐ ☒ Other: \_\_\_\_\_

All boxes must be checked

For the application to be complete

Yes/No

- ☐ ☒ Off-site Cognitive Services  
☐ ☒ Parenteral \*\*  
☐ ☒ Parenteral (outpatient)  
☐ ☒ Outpatient/Discharge  
☒ ☐ Mail Service  
☐ ☒ Long Term Care  
☐ ☒ Sterile Compounding \*\*  
☐ ☒ Non Sterile Compounding  
☐ ☒ Mail Service Sterile Compounding \*\*  
☐ ☒ Other Services: \_\_\_\_\_

**\*\*If you check "yes" on any of these types of services, you will be required to make an appearance at the board meeting,**

90489

G

# NEVADA STATE BOARD OF PHARMACY

431 W Plumb Lane – Reno, NV 89509

## APPLICATION FOR OUT-OF-STATE PHARMACY LICENSE

\$500.00 Fee made payable to: Nevada State Board of Pharmacy

(non-refundable and not transferable money order or cashier's check only)

Application must be printed legibly or typed

Any misrepresentation in the answer to any question on this application is grounds for refusal or denial of the application or subsequent revocation of the license issued and is a violation of the laws of the State of Nevada.

☒ New Pharmacy or ☐ Ownership Change (Provide current license number if making changes: PH\_\_\_\_)  
Check box below for type of ownership and complete all required forms.  
☐ Publicly Traded Corporation – Pages 1,2,3,7 ☐ Partnership – Pages 1,2,5,7  
☒ Non Publicly Traded Corporation – Pages 1,2,4,7 ☐ Sole Owner – Pages 1,2,6,7

### GENERAL INFORMATION to be completed by all types of ownership

Pharmacy Name: Americare Pharmacy Services, LLC d/b/a Pegasus Express Pharmacy  
Physical Address: 621 E 15th St, Suite D  
Mailing Address: 621 E 15th St, Suite D  
City: Cookeville State: TN Zip Code: 38501  
Telephone: 931-528-0070 Fax: 931-528-0087  
Toll Free Number: 1-855-520-6380 (Required per NAC 639.708)  
E-mail: \_\_\_\_\_ Website: N/A  
Managing Pharmacist: James R. Durham License Number: TN-24743

TYPE OF PHARMACY	AND	SERVICES PROVIDED
Yes/No		Yes/No
<input checked="" type="checkbox"/> <input type="checkbox"/> Retail		<input type="checkbox"/> <input checked="" type="checkbox"/> Off-site Cognitive Services
<input type="checkbox"/> <input checked="" type="checkbox"/> Hospital (# beds _____)		<input type="checkbox"/> <input checked="" type="checkbox"/> Parenteral **
<input type="checkbox"/> <input checked="" type="checkbox"/> Internet		<input type="checkbox"/> <input checked="" type="checkbox"/> Parenteral (outpatient)
<input type="checkbox"/> <input checked="" type="checkbox"/> Nuclear		<input type="checkbox"/> <input checked="" type="checkbox"/> Outpatient/Discharge
<input type="checkbox"/> <input checked="" type="checkbox"/> Ambulatory Surgery Center		<input type="checkbox"/> <input checked="" type="checkbox"/> Mail Service
<input type="checkbox"/> <input checked="" type="checkbox"/> Community		<input checked="" type="checkbox"/> <input type="checkbox"/> Long Term Care
<input type="checkbox"/> <input checked="" type="checkbox"/> Other: _____		<input type="checkbox"/> <input checked="" type="checkbox"/> Sterile Compounding **
		<input type="checkbox"/> <input checked="" type="checkbox"/> Non Sterile Compounding
		<input type="checkbox"/> <input checked="" type="checkbox"/> Mail Service Sterile Compounding **
		<input type="checkbox"/> <input checked="" type="checkbox"/> Other Services: _____
All boxes must be checked For the application to be complete		

\*\*If you check "yes" on any of these types of services, you will be required to make an appearance at the board meeting,

90324

11

# NEVADA STATE BOARD OF PHARMACY

431 W Plumb Lane – Reno, NV 89509

## APPLICATION FOR OUT-OF-STATE PHARMACY LICENSE

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☐ Publicly Traded Corporation – Pages 1,2,3,7

☐ Partnership - Pages 1,2,5,7

☒ Non Publicly Traded Corporation – Pages 1,2,4,7

☐ Sole Owner – Pages 1,2,6,7

### GENERAL INFORMATION to be completed by all types of ownership

Pharmacy Name: Priority Care Pharmacy at Cotton Gin Point, LLC

Physical Address: 1506 Hwy 278 East, Suite G

Mailing Address: 1506 Hwy 278 East, Suite G

City: Amory State: Mississippi Zip Code: 38821

Telephone: (662) 256-5800 Fax: (662) 256-5890

Toll Free Number: 888-333-1290 (Required per NAC 639.708)

E-mail: mleach@prioritycarerx.net Website: \_\_\_\_\_

Managing Pharmacist: Mandy Leach License Number: E-11571

### TYPE OF PHARMACY AND

### SERVICES PROVIDED

Yes/No

- ☒ ☐ Retail  
☐ ☒ Hospital (# beds \_\_\_\_\_)  
☐ ☒ Internet  
☐ ☒ Nuclear  
☐ ☒ Ambulatory Surgery Center  
☒ ☐ Community  
☐ ☒ Other: \_\_\_\_\_

All boxes must be checked

For the application to be complete

Yes/No

- ☐ ☒ Off-site Cognitive Services  
☐ ☒ Parenteral \*\*  
☐ ☒ Parenteral (outpatient)  
☐ ☒ Outpatient/Discharge  
☒ ☐ Mail Service  
☐ ☒ Long Term Care  
☐ ☒ Sterile Compounding \*\*  
☐ ☒ Non Sterile Compounding  
☐ ☒ Mail Service Sterile Compounding \*\*  
☐ ☒ Other Services: \_\_\_\_\_

\*\*If you check "yes" on any of these types of services, you will be required to make an appearance at the board meeting,

90330



I

# NEVADA STATE BOARD OF PHARMACY

431 W Plumb Lane – Reno, NV 89509

## APPLICATION FOR OUT-OF-STATE PHARMACY LICENSE

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☒ Non Publicly Traded Corporation – Pages 1,2,4,7 ☐ Sole Owner – Pages 1,2,6,7

### GENERAL INFORMATION to be completed by all types of ownership

Pharmacy Name: Specialty Medical Drugstore

Physical Address: 525 Alexandria Pike, Southgate, KY 41071

Mailing Address: 525 Alexandria Pike

City: Southgate State: KY Zip Code: 41071

Telephone: 513-576-0094 Fax: 513-576-0092

Toll Free Number: 888-795-5826 (Required per NAC 639.708)

E-mail: Pharmacy@SMDrugstore.com Website: SMDrugstore.com

Managing Pharmacist: Ronald Ferguson License Number: 14747

### TYPE OF PHARMACY

AND

### SERVICES PROVIDED

Yes/No

- ☒ ☐ Retail  
☐ ☒ Hospital (# beds \_\_\_\_)  
☒ ☐ Internet  
☐ ☒ Nuclear  
☐ ☒ Ambulatory Surgery Center  
☐ ☒ Community  
☐ ☒ Other: \_\_\_\_\_

All boxes must be checked

For the application to be complete

Yes/No

- ☐ ☒ Off-site Cognitive Services  
☐ ☒ Parenteral \*\*  
☐ ☒ Parenteral (outpatient)  
☐ ☒ Outpatient/Discharge  
☒ ☐ Mail Service  
☐ ☒ Long Term Care  
☐ ☒ Sterile Compounding \*\*  
☐ ☒ Non Sterile Compounding  
☐ ☒ Mail Service Sterile Compounding \*\*  
☐ ☒ Other Services: \_\_\_\_\_

\*\*If you check "yes" on any of these types of services, you will be required to make an appearance at the board meeting,

910327

# NEVADA STATE BOARD OF PHARMACY

431 W Plumb Lane – Reno, NV 89509

## APPLICATION FOR OUT-OF-STATE PHARMACY LICENSE

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☒ Non Publicly Traded Corporation – Pages 1,2,4,7 ☐ Sole Owner – Pages 1,2,6,7

### GENERAL INFORMATION to be completed by all types of ownership

Pharmacy Name: Total Home Health Care, Inc.

Physical Address: 437 Main Street Stroudsburg PA 18360

Mailing Address: 437 Main Street

City: Stroudsburg State: PA Zip Code: 18360

Telephone: 888 864 4387 Fax: 570 421 11207

Toll Free Number: 888 864 4387 (Required per NAC 639.708)

E-mail: Skolka@thhncpharmacy.com Website: N/A

Managing Pharmacist: Benjamin Albright Finch License Number: RP1446312

### TYPE OF PHARMACY

### AND

### SERVICES PROVIDED

Yes/No

☒ ☐ Retail

☐ ☒ Hospital (# beds \_\_\_\_)

☐ ☒ Internet

☐ ☒ Nuclear

☐ ☒ Ambulatory Surgery Center

☒ ☐ Community

☐ ☒ Other: \_\_\_\_\_

All boxes must be checked

For the application to be complete

Yes/No

☐ ☒ Off-site Cognitive Services

☐ ☒ Parenteral \*\*

☐ ☒ Parenteral (outpatient)

☐ ☒ Outpatient/Discharge

☒ ☐ Mail Service

☐ ☒ Long Term Care

☐ ☒ Sterile Compounding \*\*

☐ ☒ Non Sterile Compounding

☐ ☒ Mail Service Sterile Compounding \*\*

☐ ☒ Other Services: \_\_\_\_\_

\*\*If you check "yes" on any of these types of services, you will be required to make an appearance at the board meeting,

K

**NEVADA STATE BOARD OF PHARMACY**  
431 W Plumb Lane – Reno, NV 89509  
**APPLICATION FOR OUT-OF-STATE PHARMACY LICENSE**

\$500.00 Fee made payable to: Nevada State Board of Pharmacy

**(non-refundable and not transferable money order or cashier's check only)**

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Check box below for type of ownership and complete all required forms.  
☐ Publicly Traded Corporation – Pages 1,2,3,7      ☐ Partnership - Pages 1,2,5,7  
☒ Non Publicly Traded Corporation – Pages 1,2,4,7      ☐ Sole Owner – Pages 1,2,6,7

**GENERAL INFORMATION to be completed by all types of ownership**

Pharmacy Name: Vincent Priority Care Pharmacy, LLC.  
Physical Address: 42147 Highway 25  
Mailing Address: 42147 Highway 25  
City: Vincent State: Alabama Zip Code: 35178  
Telephone: 888-333-1290 Fax: (205) 672-1954  
Toll Free Number: 888-333-1290 (Required per NAC 639.708)  
E-mail: pharmacy@prioritycarerx.net Website: \_\_\_\_\_  
Managing Pharmacist: James F. Ehl License Number: 7109

**TYPE OF PHARMACY AND**

**SERVICES PROVIDED**

Yes/No

- ☒ ☐ Retail  
☐ ☒ Hospital (# beds \_\_\_\_\_)  
☐ ☒ Internet  
☐ ☒ Nuclear  
☐ ☒ Ambulatory Surgery Center  
☒ ☐ Community  
☐ ☐ Other: \_\_\_\_\_

All boxes must be checked

For the application to be complete

Yes/No

- ☐ ☒ Off-site Cognitive Services  
☐ ☒ Parenteral \*\*  
☐ ☒ Parenteral (outpatient)  
☐ ☒ Outpatient/Discharge  
☒ ☐ Mail Service  
☐ ☒ Long Term Care  
☐ ☒ Sterile Compounding \*\*  
☐ ☒ Non Sterile Compounding  
☐ ☒ Mail Service Sterile Compounding \*\*  
☐ ☒ Other Services: \_\_\_\_\_

**\*\*If you check "yes" on any of these types of services, you will be required to make an appearance at the board meeting,**

90321

L

# NEVADA STATE BOARD OF PHARMACY

431 W Plumb Lane – Reno, NV 89509

## APPLICATION FOR OUT-OF-STATE PHARMACY LICENSE

\$500.00 Fee made payable to: Nevada State Board of Pharmacy

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Check box below for type of ownership and complete all required forms.

☐ Publicly Traded Corporation – Pages 1,2,3,7

☒ Partnership - Pages 1,2,5,7

☐ Non Publicly Traded Corporation – Pages 1,2,4,7

☐ Sole Owner – Pages 1,2,6,7

### GENERAL INFORMATION to be completed by all types of ownership

Pharmacy Name: AcuPharm LLC

Physical Address: 1018 W Atherton Dr #202 Taylorsville UT 84123

Mailing Address: 1018 W Atherton Dr #202 Taylorsville UT 84123

City: Taylorsville State: UT Zip Code: 84123

Telephone: 801 456 4505 Fax: 801 456 4508

Toll Free Number: 888 219 2769 (Required per NAC 639.708)

E-mail: \_\_\_\_\_ Website: \_\_\_\_\_

Managing Pharmacist: Brenton McDonough License Number: 6437655-1701

### TYPE OF PHARMACY

AND

### SERVICES PROVIDED

Yes/No

☐ ☒ Retail

☐ ☒ Hospital (# beds \_\_\_\_\_)

☐ ☒ Internet

☐ ☒ Nuclear

☐ ☒ Ambulatory Surgery Center

☐ ☒ Community

☒ ☐ Other: Long Term Care

All boxes must be checked

For the application to be complete

Yes/No

☐ ☒ Off-site Cognitive Services

☐ ☒ Parenteral \*\*

☐ ☒ Parenteral (outpatient)

☐ ☒ Outpatient/Discharge

☐ ☒ Mail Service

☒ ☐ Long Term Care

☒ ☐ Sterile Compounding \*\* (Utah Only)

☒ ☐ Non Sterile Compounding

☐ ☒ Mail Service Sterile Compounding \*\*

☐ ☒ Other Services: \_\_\_\_\_

\*\*If you check "yes" on any of these types of services, you will be required to make an appearance at the board meeting,

90325

M

# NEVADA STATE BOARD OF PHARMACY

431 W Plumb Lane – Reno, NV 89509

## APPLICATION FOR OUT-OF-STATE PHARMACY LICENSE

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☒ New Pharmacy or ☐ Ownership Change (Provide current license number if making changes: PH \_\_\_\_\_)  
Check box below for type of ownership and complete all required forms.

☐ Publicly Traded Corporation – Pages 1,2,3,7

☐ Partnership – Pages 1,2,5,7

☒ Non Publicly Traded Corporation – Pages 1,2,4,7

☐ Sole Owner – Pages 1,2,6,7

### GENERAL INFORMATION to be completed by all types of ownership

Pharmacy Name: Advanced Family Pharmacy, Inc.

Physical Address: 5191 N 6th St., Fresno, CA 93710

Mailing Address: 5191 N 6th St

City: Fresno State: CA Zip Code: 93710

Telephone: 559-222-8303 Fax: 559-222-1082

Toll Free Number: 844-397-0442 (Required per NAC 639.708)

E-mail: allen@rxpresspharm.com

Website: N/A

Managing Pharmacist: Allen Derzakharian License Number: RPH 57054

### TYPE OF PHARMACY

AND

### SERVICES PROVIDED

Yes/No

- ☒ ☐ Retail  
☐ ☒ Hospital (# beds \_\_\_\_\_)  
☐ ☒ Internet  
☐ ☒ Nuclear  
☐ ☒ Ambulatory Surgery Center  
☒ ☐ Community  
☐ ☒ Other: \_\_\_\_\_

All boxes must be checked

For the application to be complete

Yes/No

- ☐ ☒ Off-site Cognitive Services  
☐ ☒ Parenteral \*\*  
☐ ☒ Parenteral (outpatient)  
☐ ☒ Outpatient/Discharge  
☒ ☐ Mail Service  
☐ ☒ Long Term Care  
☐ ☒ Sterile Compounding \*\*  
☒ ☐ Non Sterile Compounding  
☐ ☒ Mail Service Sterile Compounding \*\*  
☐ ☒ Other Services: \_\_\_\_\_

**\*\*If you check "yes" on any of these types of services, you will be required to make an appearance at the board meeting,**

90823

N

## NEVADA STATE BOARD OF PHARMACY

431 W Plumb Lane – Reno, NV 89509

## APPLICATION FOR OUT-OF-STATE PHARMACY LICENSE

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☐ Publicly Traded Corporation – Pages 1,2,3,7☐ Partnership - Pages 1,2,5,7☒ Non Publicly Traded Corporation – Pages 1,2,4,7☐ Sole Owner – Pages 1,2,6,7**GENERAL INFORMATION to be completed by all types of ownership**Pharmacy Name: Poulsbo Compounding Pharmacy, DBA Cascade Specialty PharmacyPhysical Address: 325 NE Hostmark StreetMailing Address: P.O. Box 2850City: Poulsbo State: WA Zip Code: 98370Telephone: 360-779-2737 Fax: 866-749-5728Toll Free Number: 800-779-2029 (Required per NAC 639.708)E-mail: bknot@cascaDERX.com Website: www.CascadeRx.comManaging Pharmacist: Brandon Knott License Number: PH 60137866**TYPE OF PHARMACY AND****SERVICES PROVIDED**

Yes/No

☒ ☐ Retail☐ ☒ Hospital (# beds \_\_\_\_\_)☐ ☒ Internet☐ ☒ Nuclear☐ ☒ Ambulatory Surgery Center☒ ☐ Community☐ ☒ Other: \_\_\_\_\_

All boxes must be checked

For the application to be complete

Yes/No

☐ ☒ Off-site Cognitive Services☐ ☒ Parenteral \*\*☐ ☒ Parenteral (outpatient)☐ ☒ Outpatient/Discharge☒ ☐ Mail Service☐ ☒ Long Term Care☐ ☒ Sterile Compounding \*\*☒ ☐ Non Sterile Compounding☐ ☒ Mail Service Sterile Compounding \*\*☐ ☒ Other Services: \_\_\_\_\_

**\*\*If you check "yes" on any of these types of services, you will be required to make an appearance at the board meeting,**

90488



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# NEVADA STATE BOARD OF PHARMACY

431 W Plumb Lane – Reno, NV 89509

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☐ Publicly Traded Corporation – Pages 1,2,3,7      ☐ Partnership - Pages 1,2,5,7  
☒ Non Publicly Traded Corporation – Pages 1,2,4,7      ☐ Sole Owner – Pages 1,2,6,7

### GENERAL INFORMATION to be completed by all types of ownership

Pharmacy Name: Center City Pharmacy, Inc.

Physical Address: 416 Clematis Street, West Palm Beach, FL 33401

Mailing Address: 416 Clematis Street

City: West Palm Beach State: Florida Zip Code: 33401

Telephone: 561-805-7135 Fax: 561-805-7138

Toll Free Number: 866-883-4425 (Required per NAC 639.708)

E-mail: ccpharmacist@gmail.com Website: www.centercitypharmacy.com

Managing Pharmacist: Thomas Rebhandl License Number: PS33826

### TYPE OF PHARMACY

AND

### SERVICES PROVIDED

Yes/No

- ☒ ☐ Retail  
☐ ☒ Hospital (# beds \_\_\_\_\_)  
☐ ☒ Internet  
☐ ☒ Nuclear  
☐ ☒ Ambulatory Surgery Center  
☒ ☐ Community  
☐ ☒ Other: \_\_\_\_\_

All boxes must be checked

For the application to be complete

Yes/No

- ☐ ☒ Off-site Cognitive Services  
☐ ☒ Parenteral \*\*  
☐ ☒ Parenteral (outpatient)  
☐ ☒ Outpatient/Discharge  
☒ ☐ Mail Service  
☐ ☒ Long Term Care  
☐ ☒ Sterile Compounding \*\*  
☒ ☐ Non Sterile Compounding  
☐ ☒ Mail Service Sterile Compounding \*\*  
☐ ☒ Other Services: \_\_\_\_\_

**\*\*If you check "yes" on any of these types of services, you will be required to make an appearance at the board meeting,**

90322

P

# NEVADA STATE BOARD OF PHARMACY

431 W Plumb Lane – Reno, NV 89509

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☐ Publicly Traded Corporation – Pages 1,2,3,7

☐ Partnership – Pages 1,2,5,7

☒ Non Publicly Traded Corporation – Pages 1,2,4,7

☐ Sole Owner – Pages 1,2,6,7

### GENERAL INFORMATION to be completed by all types of ownership

Pharmacy Name: Custom Compounding Pharmacy, LLC

Physical Address: 1880 Santa Fe Drive, Suite 200

Mailing Address: 1880 Santa Fe Drive, Suite 200

City: Weatherford State: Texas Zip Code: 76086

Telephone: (817) 550-6044 Fax: (682) 262-1365

Toll Free Number: (844) 525-6881 (Required per NAC 639.708)

E-mail: info@ccpmail.net Website: None

Managing Pharmacist: Thomas H. Koontz License Number: TX 39766

### TYPE OF PHARMACY AND

### SERVICES PROVIDED

Yes/No

- ☒ ☐ Retail  
☐ ☒ Hospital (# beds \_\_\_\_\_)  
☐ ☒ Internet  
☐ ☒ Nuclear  
☐ ☒ Ambulatory Surgery Center  
☐ ☒ Community  
☐ ☒ Other: \_\_\_\_\_

All boxes must be checked

For the application to be complete

Yes/No

- ☐ ☒ Off-site Cognitive Services  
☐ ☒ Parenteral \*\*  
☐ ☒ Parenteral (outpatient)  
☐ ☒ Outpatient/Discharge  
☒ ☐ Mail Service  
☐ ☒ Long Term Care  
☐ ☒ Sterile Compounding \*\*  
☒ ☐ Non Sterile Compounding  
☐ ☒ Mail Service Sterile Compounding \*\*  
☒ ☐ Other Services: Veterinary

\*\*If you check "yes" on any of these types of services, you will be required to make an appearance at the board meeting,

90766



Q

# NEVADA STATE BOARD OF PHARMACY

431 W Plumb Lane – Reno, NV 89509

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☒ Non Publicly Traded Corporation – Pages 1,2,4,7 ☐ Sole Owner – Pages 1,2,6,7

### GENERAL INFORMATION to be completed by all types of ownership

Pharmacy Name: Real Value Products D/B/A Hospital Pharmaceutical Consulting

Physical Address: 4742 Dodge St, San Antonio, TX 78217

Mailing Address: 4742 Dodge St

City: San Antonio State: TX Zip Code: 78217

Telephone: (844) 870-5146 Fax: (844) 328-4816

Toll Free Number: (844) 870-5146 (Required per NAC 639.708)

E-mail: pharmacy@hpcrx.com Website: -

Managing Pharmacist: Jessica Virleen Simpson License Number: 51883

### TYPE OF PHARMACY AND

### SERVICES PROVIDED

Yes/No

- ☒ ☐ Retail  
☐ ☒ Hospital (# beds \_\_\_\_)  
☐ ☒ Internet  
☐ ☒ Nuclear  
☐ ☒ Ambulatory Surgery Center  
☐ ☒ Community  
☐ ☒ Other: \_\_\_\_\_

All boxes must be checked

For the application to be complete

Yes/No

- ☐ ☒ Off-site Cognitive Services  
☐ ☒ Parenteral \*\*  
☐ ☒ Parenteral (outpatient)  
☐ ☒ Outpatient/Discharge  
☒ ☐ Mail Service  
☐ ☒ Long Term Care  
☐ ☒ Sterile Compounding \*\*  
☒ ☐ Non Sterile Compounding  
☐ ☒ Mail Service Sterile Compounding \*\*  
☐ ☒ Other Services: \_\_\_\_\_

\*\*If you check "yes" on any of these types of services, you will be required to make an appearance at the board meeting,

90328

R

# NEVADA STATE BOARD OF PHARMACY

431 W Plumb Lane – Reno, NV 89509

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☒ New Pharmacy or ☐ Ownership Change (Provide current license number if making changes: PH \_\_\_\_\_)

Check box below for type of ownership and complete all required forms.

☐ Publicly Traded Corporation – Pages 1,2,3,7

☒ Partnership – Pages 1,2,5,7

☐ Non Publicly Traded Corporation – Pages 1,2,4,7

☐ Sole Owner – Pages 1,2,6,7

### GENERAL INFORMATION to be completed by all types of ownership

Pharmacy Name: SOLEY'S SANDY PHARMACY

Physical Address: 9829 S. 1200 E. # 100

Mailing Address: 9829 S. 1300 E. # 100

City: SANDY State: UT Zip Code: 84094

Telephone: 801-571-0201 Fax: 801-571-6050

Toll Free Number: 1-855-216-4111 (Required per NAC 639.708)

E-mail: ryan@jolleyssandypharmacy.com Website: SOLEYSSANDYPHARMACY.COM

Managing Pharmacist: RYAN SOLHANSEN License Number: 336415-1701

### TYPE OF PHARMACY

AND

### SERVICES PROVIDED

Yes/No

☒ ☐ Retail

☐ ☒ Hospital (# beds \_\_\_\_\_)

☐ ☒ Internet

☐ ☒ Nuclear

☐ ☒ Ambulatory Surgery Center

☒ ☐ Community

☐ ☐ Other: \_\_\_\_\_

All boxes must be checked

For the application to be complete

Yes/No

☐ ☒ Off-site Cognitive Services

☐ ☒ Parenteral \*\*

☐ ☒ Parenteral (outpatient)

☐ ☒ Outpatient/Discharge

☒ ☐ Mail Service

☐ ☒ Long Term Care

☐ ☒ Sterile Compounding \*\*

☒ ☐ Non Sterile Compounding

☐ ☒ Mail Service Sterile Compounding \*\*

☐ ☐ Other Services: \_\_\_\_\_

\*\*If you check "yes" on any of these types of services, you will be required to make an appearance at the board meeting,

S

**NEVADA STATE BOARD OF PHARMACY**  
 431 W Plumb Lane – Reno, NV 89509  
**APPLICATION FOR OUT-OF-STATE PHARMACY LICENSE**

\$500.00 Fee made payable to: Nevada State Board of Pharmacy  
 (non-refundable and not transferable money order or cashier's check only)

Application must be printed legibly or typed

Any misrepresentation in the answer to any question on this application is grounds for refusal or denial of the application or subsequent revocation of the license issued and is a violation of the laws of the State of Nevada.

☒ **New Pharmacy** or ☐ **Ownership Change** (Provide current license number if making changes: PH\_\_\_\_)  
 Check box below for type of ownership and complete all required forms.  
☐ Publicly Traded Corporation – Pages 1,2,3,7      ☐ Partnership - Pages 1,2,5,7  
☐ Non Publicly Traded Corporation – Pages 1,2,4,7      ☒ Sole Owner – Pages 1,2,6,7

**GENERAL INFORMATION to be completed by all types of ownership**

Pharmacy Name: Keystone Choice Pharmacy, LLC

Physical Address: 432 Cedarville Rd Easton, PA 18042

Mailing Address: 432 Cedarville Rd

City: Easton State: PA Zip Code: 18042

Telephone: 800-517-3797 Fax: 844-230-9314

Toll Free Number: 800-517-3797 (Required per NAC 639.708)

E-mail: MKleinhans@ghcm.com Website: www.keystonedrugs.com- not yet active

Managing Pharmacist: Thomas Kavanagh License Number: RP030677L

**TYPE OF PHARMACY      AND      SERVICES PROVIDED**

Yes/No

- ☒ ☐ Retail
- ☐ ☒ Hospital (# beds \_\_\_\_\_)
- ☐ ☒ Internet
- ☐ ☒ Nuclear
- ☐ ☒ Ambulatory Surgery Center
- ☒ ☐ Community
- ☐ ☒ Other: Out of State

All boxes must be checked  
 For the application to be complete

Yes/No

- ☐ ☒ Off-site Cognitive Services
- ☐ ☒ Parenteral \*\*
- ☐ ☒ Parenteral (outpatient)
- ☐ ☒ Outpatient/Discharge
- ☒ ☐ Mail Service
- ☐ ☒ Long Term Care
- ☐ ☒ Sterile Compounding \*\*
- ☒ ☐ Non Sterile Compounding
- ☐ ☒ Mail Service Sterile Compounding \*\*
- ☐ ☐ Other Services: \_\_\_\_\_

\*\*If you check "yes" on any of these types of services, you will be required to make an appearance at the board meeting,

90417

T

NEVADA STATE BOARD OF PHARMACY

431 W Plumb Lane – Reno, NV 89509

APPLICATION FOR OUT-OF-STATE PHARMACY LICENSE

\$500.00 Fee made payable to: Nevada State Board of Pharmacy

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☒ New Pharmacy or ☐ Ownership Change (Provide current license number if making changes: PH\_\_\_\_)  
Check box below for type of ownership and complete all required forms.  
☐ Publicly Traded Corporation – Pages 1,2,3,7 ☒ Partnership - Pages 1,2,5,7  
☒ Non Publicly Traded Corporation – Pages 1,2,4,7 ☐ Sole Owner – Pages 1,2,6,7

GENERAL INFORMATION to be completed by all types of ownership

Pharmacy Name: TENTHINO LLC DBA: MP PHARMACY

Physical Address: 28813 US HWY 19 N, CLEARWATER, FL 33761

Mailing Address: 28813 US HWY 19 N

City: CLEARWATER State: FLORIDA Zip Code: 33761

Telephone: 727-240-0271 Fax: 727-683-9467 888-817-7846

Toll Free Number: 888-760-3223 (Required per NAC 639.708)

E-mail: MPPHARMACEUTICALS@GMAIL.COM Website: WWW.MPMEDS.COM

Managing Pharmacist: ALAN TOLBA License Number: PS31375

TYPE OF PHARMACY AND

SERVICES PROVIDED

Yes/No

- ☒ ☐ Retail  
☐ ☒ Hospital (# beds \_\_\_\_)  
☐ ☒ Internet  
☐ ☒ Nuclear  
☐ ☒ Ambulatory Surgery Center  
☒ ☐ Community  
☐ ☒ Other: \_\_\_\_\_

All boxes must be checked  
For the application to be complete

Yes/No

- ☐ ☒ Off site Cognitive Services  
☐ ☒ Parenteral \*\*  
☐ ☒ Parenteral (outpatient)  
☐ ☒ Outpatient/Discharge  
☒ ☐ Mail Service  
☐ ☒ Long Term Care  
☐ ☒ Sterile Compounding \*\*  
☒ ☐ Non Sterile Compounding  
☐ ☒ Mail Service Sterile Compounding \*\*  
☐ ☒ Other Services: \_\_\_\_\_

\*\*If you check "yes" on any of these types of services, you will be required to make an appearance at the board meeting,

90326

# NEVADA STATE BOARD OF PHARMACY

431 W Plumb Lane – Reno, NV 89509

## APPLICATION FOR OUT-OF-STATE PHARMACY LICENSE

\$500.00 Fee made payable to: Nevada State Board of Pharmacy

(non-refundable and not transferable money order or cashier's check only)

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☐ New Pharmacy or ☒ Ownership Change (Provide current license number if making changes: PH 03212)  
Check box below for type of ownership and complete all required forms.

☐ Publicly Traded Corporation – Pages 1,2,3,7

☒ Partnership - Pages 1,2,5,7

☐ Non Publicly Traded Corporation – Pages 1,2,4,7

☐ Sole Owner – Pages 1,2,6,7

### GENERAL INFORMATION to be completed by all types of ownership

Pharmacy Name: RRx, LLC (DBA- Renner Pharmacy)

Physical Address: 3005 E Renner Rd., Suite 120, Richardson, TX 75082

Mailing Address: 3005 E Renner Rd., Suite 120

City: Richardson State: Texas Zip Code: 75082

Telephone: 888-534-6881 Fax: 469-754-2325

Toll Free Number: 888-534-6881 (Required per NAC 639.708)

E-mail: licensing@rennerpharmacy.net

Website: \_\_\_\_\_

Managing Pharmacist: Russell Gilbert License Number: 45018

### TYPE OF PHARMACY

AND

### SERVICES PROVIDED

Yes/No

☒ ☐ Retail

☐ ☒ Hospital (# beds \_\_\_\_\_)

☐ ☒ Internet

☐ ☒ Nuclear

☐ ☒ Ambulatory Surgery Center

☒ ☐ Community

☐ ☒ Other: \_\_\_\_\_

All boxes must be checked

For the application to be complete

Yes/No

☐ ☒ Off-site Cognitive Services

☐ ☒ Parenteral \*\*

☐ ☒ Parenteral (outpatient)

☐ ☒ Outpatient/Discharge

☒ ☐ Mail Service

☐ ☒ Long Term Care

☐ ☒ Sterile Compounding \*\*

☒ ☐ Non Sterile Compounding

☐ ☒ Mail Service Sterile Compounding \*\*

☐ ☒ Other Services: \_\_\_\_\_

**\*\*If you check "yes" on any of these types of services, you will be required to make an appearance at the board meeting,**

# NEVADA STATE BOARD OF PHARMACY

431 W Plumb Lane – Reno, NV 89509

## APPLICATION FOR OUT-OF-STATE PHARMACY LICENSE

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☒ New Pharmacy or ☐ Ownership Change (Provide current license number if making changes: PH\_\_\_\_)  
Check box below for type of ownership and complete all required forms.

☐ Publicly Traded Corporation – Pages 1,2,3,7

☐ Partnership – Pages 1,2,5,7

☒ Non Publicly Traded Corporation – Pages 1,2,4,7

☐ Sole Owner – Pages 1,2,6,7

### GENERAL INFORMATION to be completed by all types of ownership

Pharmacy Name: THIES LOMBARD PHARMACY INC.

Physical Address: 805 S MAIN STREET, LOMBARD, IL 60148

Mailing Address: 805 S. MAIN STREET

City: LOMBARD State: IL Zip Code: 60148

Telephone: 630-495-2333 Fax: 630-495-2355

Toll Free Number: 844-232-9920 (Required per NAC 639.708)

E-mail: LOMBARDPHARMACY@aol.com

Website: WWW.LOMBARDPHARMACY.COM

Managing Pharmacist: CRAIG KUELTRZ License Number: IL 051-027589

### TYPE OF PHARMACY

### AND

### SERVICES PROVIDED

Yes/No

☒ ☐ Retail

☐ ☒ Hospital (# beds \_\_\_\_)

☐ ☒ Internet

☐ ☒ Nuclear

☐ ☒ Ambulatory Surgery Center

☒ ☐ Community

☐ ☒ Other: \_\_\_\_\_

All boxes must be checked

For the application to be complete

Yes/No

☐ ☒ Off-site Cognitive Services

☐ ☒ Parenteral \*\*

☐ ☒ Parenteral (outpatient)

☐ ☒ Outpatient/Discharge

☒ ☐ Mail Service

☐ ☒ Long Term Care

☐ ☒ Sterile Compounding \*\*

☒ ☐ Non Sterile Compounding

☐ ☒ Mail Service Sterile Compounding \*\*

☐ ☒ Other Services: \_\_\_\_\_

\*\*If you check "yes" on any of these types of services, you will be required to make an appearance at the board meeting,

90808

W

# NEVADA STATE BOARD OF PHARMACY

431 W Plumb Lane – Reno, NV 89509

## APPLICATION FOR OUT-OF-STATE PHARMACY LICENSE

\$500.00 Fee made payable to: Nevada State Board of Pharmacy

(non-refundable and not transferable money order or cashier's check only)

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☒ New Pharmacy or ☐ Ownership Change (Provide current license number if making changes: PH \_\_\_\_\_)  
Check box below for type of ownership and complete all required forms.

☐ Publicly Traded Corporation – Pages 1,2,3,7

☐ Partnership - Pages 1,2,5,7

☒ Non Publicly Traded Corporation – Pages 1,2,4,7

☐ Sole Owner – Pages 1,2,6,7

### GENERAL INFORMATION to be completed by all types of ownership

Pharmacy Name: Xpress Long Term Care Pharmacy

Physical Address: 915 W Belknap St, Ste 105, Fort Worth, TX 76102

Mailing Address: 915 W Belknap St, Ste 105

City: Fort Worth State: TX Zip Code: 76102

Telephone: 817-441-5211 Fax: 817-441-5257

Toll Free Number: 888-227-3520 (Required per NAC 639.708)

E-mail: chloe@rxpresspharm.com Website: N/A

Managing Pharmacist: Richard Bonhard License Number: 55101

### TYPE OF PHARMACY

AND

### SERVICES PROVIDED

Yes/No

- ☒ ☐ Retail  
☐ ☒ Hospital (# beds \_\_\_\_\_)  
☐ ☒ Internet  
☐ ☒ Nuclear  
☐ ☒ Ambulatory Surgery Center  
☒ ☐ Community  
☐ ☒ Other: \_\_\_\_\_

All boxes must be checked

For the application to be complete

Yes/No

- ☐ ☒ Off-site Cognitive Services  
☐ ☒ Parenteral \*\*  
☐ ☒ Parenteral (outpatient)  
☐ ☒ Outpatient/Discharge  
☒ ☐ Mail Service  
☒ ☐ Long Term Care  
☐ ☒ Sterile Compounding \*\*  
☒ ☐ Non Sterile Compounding  
☐ ☒ Mail Service Sterile Compounding \*\*  
☐ ☒ Other Services: \_\_\_\_\_

**\*\*If you check "yes" on any of these types of services, you will be required to make an appearance at the board meeting,**

90822

**NEVADA STATE BOARD OF PHARMACY**  
431 W Plumb Lane ☐ Reno, NV 89509 ☐ (775) 850-1440  
**APPLICATION FOR OUT-OF-STATE WHOLESALER LICENSE**

\$500.00 Fee made payable to: Nevada State Board of Pharmacy  
(non-refundable and not transferable money order or cashier's check only)  
Application must be printed legibly or typed

Any misrepresentation in the answer to any question on this application is grounds for refusal or denial of the application or subsequent revocation of the license issued and is a violation of the laws of the State of Nevada.

☒ New Wholesaler      ☐ Ownership Change  
(Please provide current license number if making changes: WH\_\_\_\_\_)

☐ Publicly Traded Corporation ☐ Pages 1,2,3,4      ☐ Partnership - Pages 1,2,3,6  
☒ Non Publicly Traded Corporation ☐ Pages 1,2,3,5a,5b      ☐ Sole Owner ☐ Pages 1,2,3,7  
Please check box for type of ownership and complete correct part of the application.

**GENERAL INFORMATION**

Facility Name: Ajanta Pharma USA Inc.

Physical Address: 440 Route 22 East, Suite 150, One Grande Commons

Mailing Address: 440 Route 22 East, Suite 150, One Grande Commons, Bridgewater, NJ 08807

City: Bridgewater      State: NJ      Zip Code: 08807

Telephone: 908-252-1165      Fax: 908-393-5505

Toll Free Number: N/A

E-mail: licensing@ajantapharma.com      Website: ajantapharma.com

Facility Manager: Dr. Ramesh Jhawar, President

Professional qualifications and experience of facility manager: See attached resume

Types of licensed outlets or authorized persons firm will serve:

☐ Pharmacies      ☐ Practitioners      ☒ Hospitals      ☒ Wholesalers  
☒ Other: Specialty distributors

Type of Products to be handled or wholesaled by firm:

☒ Legend Pharmaceuticals, Supplies or Devices      ☐ Hypodermic Devices  
☐ Poisons or Chemicals      ☐ Veterinary Legend Drugs  
☐ Controlled Substances (include copy of DEA)  
☐ Other: \_\_\_\_\_



4

# NEVADA STATE BOARD OF PHARMACY

431 W Plumb Lane ☐ Reno, NV 89509 ☐ (775) 850-1440

## APPLICATION FOR OUT-OF-STATE WHOLESALER LICENSE

\$500.00 Fee made payable to: Nevada State Board of Pharmacy

**(non-refundable and not transferable money order or cashier's check only)**

Application must be printed legibly or typed

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☒ New Wholesaler      ☐ Ownership Change  
(Please provide current license number if making changes: WH \_\_\_\_\_)

☒ Publicly Traded Corporation ☐ Pages 1,2,3,4      ☐ Partnership - Pages 1,2,3,6  
☐ Non Publicly Traded Corporation ☐ Pages 1,2,3,5a,5b      ☐ Sole Owner ☐ Pages 1,2,3,7  
Please check box for type of ownership and complete correct part of the application.

### GENERAL INFORMATION

Facility Name: Amarin Pharma, Inc

Physical Address: 1430 Route 206, Suite 200

Mailing Address: 1430 Route 206, Suite 200

City: Bedminster      State: NJ      Zip Code: 07921

Telephone: 908-719-1315      Fax: 908-719-3012

Toll Free Number: n/a

E-mail: janet.bress@amarincorp.com      Website: www.amarincorp.com

Facility Manager: John Thero

Professional qualifications and experience of facility manager: See Attached

Types of licensed outlets or authorized persons firm will serve:

☐ Pharmacies      ☐ Practitioners      ☐ Hospitals      ☒ Wholesalers  
☐ Other: n/a

Type of Products to be handled or wholesaled by firm:

☒ Legend Pharmaceuticals, Supplies or Devices      ☐ Hypodermic Devices  
☐ Poisons or Chemicals      ☐ Veterinary Legend Drugs  
☐ Controlled Substances (include copy of DEA)  
☐ Other: n/a

90769

**NEVADA STATE BOARD OF PHARMACY**  
431 W Plumb Lane □ Reno, NV 89509 □ (775) 850-1440  
**APPLICATION FOR OUT-OF-STATE WHOLESALER LICENSE**

\$500.00 Fee made payable to: Nevada State Board of Pharmacy  
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Application must be printed legibly or typed

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<input checked="" type="checkbox"/> New Wholesaler	<input type="checkbox"/> Ownership Change (Please provide current license number if making changes: WH_____)
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<input checked="" type="checkbox"/> Publicly Traded Corporation	<input type="checkbox"/> Pages 1,2,3,4	<input type="checkbox"/> Partnership - Pages 1,2,3,6
<input type="checkbox"/> Non Publicly Traded Corporation	<input type="checkbox"/> Pages 1,2,3,5a,5b	<input type="checkbox"/> Sole Owner □ Pages 1,2,3,7
Please check box for type of ownership and complete correct part of the application.		

**GENERAL INFORMATION**

Facility Name: Anacor Pharmaceuticals, Inc.

Physical Address: 1020 E. Meadow Circle

Mailing Address: 1020 E. Meadow Circle

City: Palo Alto State: CA Zip Code: 94303

Telephone: 650-543-7500 Fax: 650-543-7660

Toll Free Number: n/a

E-mail: info@anacor.com Website: www.anacor.com

Facility Manager: Graeme Bell

Professional qualifications and experience of facility manager: See Attached

**Types of licensed outlets or authorized persons firm will serve:**

☒ Pharmacies      ☒ Practitioners      ☐ Hospitals      ☒ Wholesalers  
☒ Other: Specialty Distributors, Military, Retail, Long Term Care Facilities

**Type of Products to be handled or wholesaled by firm:**

<input checked="" type="checkbox"/> Legend Pharmaceuticals, Supplies or Devices	<input type="checkbox"/> Hypodermic Devices
<input type="checkbox"/> Poisons or Chemicals	<input type="checkbox"/> Veterinary Legend Drugs
<input type="checkbox"/> Controlled Substances (include copy of DEA)	
<input type="checkbox"/> Other: _____	

AA

**NEVADA STATE BOARD OF PHARMACY**  
 431 W Plumb Lane ☐ Reno, NV 89509 ☐ (775) 850-1440  
**APPLICATION FOR OUT-OF-STATE WHOLESALER LICENSE**

\$500.00 Fee made payable to: Nevada State Board of Pharmacy  
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 Application must be printed legibly or typed

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☒ New Wholesaler                      ☐ Ownership Change  
 (Please provide current license number if making changes: WH \_\_\_\_\_)

☐ Publicly Traded Corporation ☐ Pages 1,2,3,4                      ☐ Partnership - Pages 1,2,3,6  
☒ Non Publicly Traded Corporation ☐ Pages 1,2,3,5a,5b    ☐ Sole Owner ☐ Pages 1,2,3,7  
 Please check box for type of ownership and complete correct part of the application.

**GENERAL INFORMATION**

Facility Name: Biocodex Inc

Physical Address: 255 Shoreline Drive, Suite 450

Mailing Address: \_\_\_\_\_

City: Redwood City                      State: CA                      Zip Code: 94065

Telephone: 650-243-5320                      Fax: 650-589-1196

Toll Free Number: n/a

E-mail: civier@biocodexusa.com                      Website: www.biocodexusa.com

Facility Manager: Marc Rohman

Professional qualifications and experience of facility manager: See Attached

Types of licensed outlets or authorized persons firm will serve:

☐ Pharmacies                      ☐ Practitioners                      ☒ Hospitals                      ☒ Wholesalers  
☐ Other: \_\_\_\_\_

Type of Products to be handled or wholesaled by firm:

☒ Legend Pharmaceuticals, Supplies or Devices                      ☐ Hypodermic Devices  
☐ Poisons or Chemicals                      ☐ Veterinary Legend Drugs  
☐ Controlled Substances (include copy of DEA)  
☐ Other: \_\_\_\_\_

BB

**NEVADA STATE BOARD OF PHARMACY**

431 W Plumb Lane ☐ Reno, NV 89509 ☐ (775) 850-1440

**APPLICATION FOR OUT-OF-STATE WHOLESALER LICENSE**

\$500.00 Fee made payable to: Nevada State Board of Pharmacy

**(non-refundable and not transferable money order or cashier's check only)**

Application must be printed legibly or typed

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☐ New Wholesaler☒ Ownership Change(Please provide current license number if making changes: WH 01737)☐ Publicly Traded Corporation ☐ Pages 1,2,3,4☐ Partnership - Pages 1,2,3,6☒ Non Publicly Traded Corporation ☐ Pages 1,2,3,5a,5b☐ Sole Owner ☐ Pages 1,2,3,7

Please check box for type of ownership and complete correct part of the application.

**GENERAL INFORMATION**Facility Name: Dendreon Pharmaceuticals, Inc.Physical Address: 1700 Saturn Way

Mailing Address: \_\_\_\_\_

City: Seal BeachState: CAZip Code: 90740Telephone: 562-252-7500Fax: 562-252-7576

Toll Free Number: \_\_\_\_\_

E-mail: licensing@valeant.comWebsite: www.dendreon.comFacility Manager: Glen MurataProfessional qualifications and experience of facility manager: See AttachedTypes of licensed outlets or authorized persons firm will serve:☐ Pharmacies☒ Practitioners☒ Hospitals☐ Wholesalers☐ Other: \_\_\_\_\_Type of Products to be handled or wholesaled by firm:☒ Legend Pharmaceuticals, Supplies or Devices☐ Hypodermic Devices☐ Poisons or Chemicals☐ Veterinary Legend Drugs☐ Controlled Substances (include copy of DEA)☐ Other: \_\_\_\_\_

CC

**NEVADA STATE BOARD OF PHARMACY**  
 431 W Plumb Lane – Reno, NV 89509 – (775) 850-1440  
**APPLICATION FOR OUT-OF-STATE WHOLESALER LICENSE**

\$500.00 Fee made payable to: Nevada State Board of Pharmacy  
**(non-refundable and not transferable money order or cashier's check only)**  
 Application must be printed legibly or typed

Any misrepresentation in the answer to any question on this application is grounds for refusal or denial of the application or subsequent revocation of the license issued and is a violation of the laws of the State of Nevada.

<input checked="" type="checkbox"/> New Wholesaler	<input type="checkbox"/> Ownership Change
(Please provide current license number if making changes: WH_____)	

<input checked="" type="checkbox"/> Publicly Traded Corporation – Pages 1,2,3,4	<input type="checkbox"/> Partnership - Pages 1,2,3,6
<input type="checkbox"/> Non Publicly Traded Corporation – Pages 1,2,3,5a,5b	<input type="checkbox"/> Sole Owner – Pages 1,2,3,7
Please check box for type of ownership and complete correct part of the application.	

**GENERAL INFORMATION**

Facility Name: INOGEN INC

Physical Address: 1225 COMMERCE DRIVE

Mailing Address: 1225 COMMERCE DRIVE

City: RICHARDSON State: TEXAS Zip Code: 75081

Telephone: 469-729-4109 Fax: 888-306-8766

Toll Free Number: 877-466-4364

E-mail: LICENSING@INOGEN.NET Website: WWW.INOGEN.NET

Facility Manager: RICK JENNINGS DIRECTOR OF MANUFACTURING

Professional qualifications and experience of facility manager: SEE ATTACHED

**Types of licensed outlets or authorized persons firm will serve:**

☒ Pharmacies      ☒ Practitioners      ☒ Hospitals      ☒ Wholesalers  
☐ Other: \_\_\_\_\_

**Type of Products to be handled or wholesaled be firm:**

<input checked="" type="checkbox"/> Legend Pharmaceuticals, Supplies or Devices	<input type="checkbox"/> Hypodermic Devices
<input type="checkbox"/> Poisons or Chemicals	<input type="checkbox"/> Veterinary Legend Drugs
<input type="checkbox"/> Controlled Substances (include copy of DEA)	
<input type="checkbox"/> Other: _____	

DD

## NEVADA STATE BOARD OF PHARMACY

431 W Plumb Lane – Reno, NV 89509 – (775) 850-1440

## APPLICATION FOR OUT-OF-STATE WHOLESALER LICENSE

\$500.00 Fee made payable to: Nevada State Board of Pharmacy

(non-refundable and not transferable money order or cashier's check only)

Application must be printed legibly or typed

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<input checked="" type="checkbox"/> New Wholesaler	<input type="checkbox"/> Ownership Change
(Please provide current license number if making changes: WH_____)	

<input type="checkbox"/> Publicly Traded Corporation – Pages 1,2,3,4	<input type="checkbox"/> Partnership - Pages 1,2,3,6
<input checked="" type="checkbox"/> Non Publicly Traded Corporation – Pages 1,2,3,5a,5b	<input type="checkbox"/> Sole Owner – Pages 1,2,3,7
Please check box for type of ownership and complete correct part of the application.	

**GENERAL INFORMATION**Facility Name: Medline Industries, Inc.Physical Address: 2601 South 37th Street., Phoenix, AZ 85034Mailing Address: One Medline PlaceCity: Mundelein State: IL Zip Code: 60060Telephone: 602-414-9669 Fax: 602-414-9723Toll Free Number: 800-633-5463E-mail: mjortiz@medline.com Website: www.medline.comFacility Manager: Gilbert Ralph Tangonan

Professional qualifications and experience of facility manager: Over 8 years of Drug Distribution experience.  
I oversee the facility and am involved with ensuring the accuracy of all transactions, procedures, policies,  
record keeping and inventory. See Attachment 3

Types of licensed outlets or authorized persons firm will serve:

<input checked="" type="checkbox"/> Pharmacies	<input checked="" type="checkbox"/> Practitioners	<input checked="" type="checkbox"/> Hospitals	<input checked="" type="checkbox"/> Wholesalers
<input checked="" type="checkbox"/> Other: <u>Nursing Homes, Surgery Centers, Long term Care</u>			

Type of Products to be handled or wholesaled be firm:

<input checked="" type="checkbox"/> Legend Pharmaceuticals, Supplies or Devices	<input type="checkbox"/> Hypodermic Devices
<input checked="" type="checkbox"/> Poisons or Chemicals	<input type="checkbox"/> Veterinary Legend Drugs
<input type="checkbox"/> Controlled Substances (include copy of DEA)	
<input checked="" type="checkbox"/> Other: <u>Cosmetics</u>	

90772

EE

**NEVADA STATE BOARD OF PHARMACY**  
431 W Plumb Lane □ Reno, NV 89509 □ (775) 850-1440  
**APPLICATION FOR OUT-OF-STATE WHOLESALER LICENSE**

\$500.00 Fee made payable to: Nevada State Board of Pharmacy  
**(non-refundable and not transferable money order or cashier's check only)**  
Application must be printed legibly or typed

Any misrepresentation in the answer to any question on this application is grounds for refusal or denial of the application or subsequent revocation of the license issued and is a violation of the laws of the State of Nevada.

REORGANIZATION, CHANGE IN NAME & FEIN#, NO CHANGE IN OWNERSHIP

<input checked="" type="checkbox"/> New Wholesaler	<input type="checkbox"/> Ownership Change
(Please provide current license number if making changes: WH 00786 )	

<input type="checkbox"/> Publicly Traded Corporation □ Pages 1,2,3,4	<input type="checkbox"/> Partnership - Pages 1,2,3,6
<input checked="" type="checkbox"/> Non Publicly Traded Corporation □ Pages 1,2,3,5a,5b	<input type="checkbox"/> Sole Owner □ Pages 1,2,3,7
Please check box for type of ownership and complete correct part of the application.	

**GENERAL INFORMATION**

Facility Name: Merial, Inc.

Physical Address: 1750 Olympic Drive, Athens GA 30601

Mailing Address: c/o State License Servicing 1751 State Rte 17A, Suite 3

City: Florida State: NY Zip Code: 10921

Telephone: 706-548-9292 Fax: 678-638-8989

Toll Free Number: 888-637-4251

E-mail: mll@slsny.com Website: www.merial.com

Facility Manager: William Patton

Professional qualifications and experience of facility manager: \_\_\_\_\_  
PLEASE REFER TO ATTACHED RESUME

**Types of licensed outlets or authorized persons firm will serve:**

☐ Pharmacies      ☐ Practitioners      ☐ Hospitals      ☒ Wholesalers

☒ Other: Veterinarian Hospitals

**Type of Products to be handled or wholesaled by firm:**

<input type="checkbox"/> Legend Pharmaceuticals, Supplies or Devices	<input type="checkbox"/> Hypodermic Devices
<input type="checkbox"/> Poisons or Chemicals	<input checked="" type="checkbox"/> Veterinary Legend Drugs
<input type="checkbox"/> Controlled Substances (include copy of DEA)	
<input type="checkbox"/> Other: _____	



FF

**NEVADA STATE BOARD OF PHARMACY**  
431 W Plumb Lane – Reno, NV 89509 – (775) 850-1440  
**APPLICATION FOR OUT-OF-STATE WHOLESALER LICENSE**

\$500.00 Fee made payable to: Nevada State Board of Pharmacy  
(non-refundable and not transferable money order or cashier's check only)  
Application must be printed legibly or typed

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<input checked="" type="checkbox"/> New Wholesaler	<input type="checkbox"/> Ownership Change
(Please provide current license number if making changes: WH_____)	

<input type="checkbox"/> Publicly Traded Corporation – Pages 1,2,3,4	<input type="checkbox"/> Partnership - Pages 1,2,3,6
<input checked="" type="checkbox"/> Non Publicly Traded Corporation – Pages 1,2,3,5a,5b	<input type="checkbox"/> Sole Owner – Pages 1,2,3,7
Please check box for type of ownership and complete correct part of the application.	

**GENERAL INFORMATION**

Facility Name: PureTek Corporation

Physical Address: 1145 Arroyo Ave Unit D, San Fernando, CA 91340

Mailing Address: 1145 Arroyo Ave Unit D, San Fernando, CA 91340

City: San Fernando State: CA Zip Code: 91340

Telephone: (818) 837-5880 Fax: (818) 837-2244

Toll Free Number: N/A

E-mail: RA@puretekcorp.com Website: www.puretekcorp.com

Facility Manager: Barry Pressman

Professional qualifications and experience of facility manager: Barry Pressman is a registered pharmacist in California (#RPh22869) and has over 50 years of experience in the retail drug and manufacturing segments of the pharmaceutical industry.

Types of licensed outlets or authorized persons firm will serve:

☒ Pharmacies      ☒ Practitioners      ☒ Hospitals      ☒ Wholesalers  
☐ Other: \_\_\_\_\_

Type of Products to be handled or wholesaled by firm:

<input checked="" type="checkbox"/> Legend Pharmaceuticals, Supplies or Devices	<input type="checkbox"/> Hypodermic Devices
<input type="checkbox"/> Poisons or Chemicals	<input type="checkbox"/> Veterinary Legend Drugs
<input type="checkbox"/> Controlled Substances (include copy of DEA)	
<input type="checkbox"/> Other: _____	



GG

## NEVADA STATE BOARD OF PHARMACY

431 W Plumb Lane – Reno, NV 89509 – (775) 850-1440

## APPLICATION FOR OUT-OF-STATE WHOLESALER LICENSE

\$500.00 Fee made payable to: Nevada State Board of Pharmacy

(non-refundable and not transferable money order or cashier's check only)

Application must be printed legibly or typed

Any misrepresentation in the answer to any question on this application is grounds for refusal or denial of the application or subsequent revocation of the license issued and is a violation of the laws of the State of Nevada.

<input checked="" type="checkbox"/> New Wholesaler	<input type="checkbox"/> Ownership Change
(Please provide current license number if making changes: WH _____)	

<input type="checkbox"/> Publicly Traded Corporation – Pages 1,2,3,4	<input type="checkbox"/> Partnership – Pages 1,2,3,6
<input checked="" type="checkbox"/> Non Publicly Traded Corporation – Pages 1,2,3,5a,5b	<input type="checkbox"/> Sole Owner – Pages 1,2,3,7
Please check box for type of ownership and complete correct part of the application.	

GENERAL INFORMATIONFacility Name: RX Reverse Distributors, IncPhysical Address: 9255 US Hwy 1

Mailing Address: \_\_\_\_\_

City: Sebastian State: FL Zip Code: 32958Telephone: 772-388-1212 <sup>EX-221</sup> Fax: 772-388-1260

Toll Free Number: \_\_\_\_\_

E-mail: mdiorio@rxrd.com Website: \_\_\_\_\_\* Facility Manager: Michelle D'TorioProfessional qualifications and experience of facility manager: See attachedTypes of licensed outlets or authorized persons firm will serve:

<input checked="" type="checkbox"/> Pharmacies	<input type="checkbox"/> Practitioners	<input type="checkbox"/> Hospitals	<input type="checkbox"/> Wholesalers
<input type="checkbox"/> Other: _____			

Type of Products to be handled or wholesaled by firm:

<input checked="" type="checkbox"/> Legend Pharmaceuticals, Supplies or Devices	<input type="checkbox"/> Hypodermic Devices
<input type="checkbox"/> Poisons or Chemicals	<input type="checkbox"/> Veterinary Legend Drugs
<input checked="" type="checkbox"/> Controlled Substances (include copy of DEA)	
<input type="checkbox"/> Other: _____	

904013

HH

**NEVADA STATE BOARD OF PHARMACY**  
431 W Plumb Lane – Reno, NV 89509 – (775) 850-1440  
**APPLICATION FOR OUT-OF-STATE WHOLESALER LICENSE**

\$500.00 Fee made payable to: Nevada State Board of Pharmacy  
(non-refundable and not transferable money order or cashier's check only)  
Application must be printed legibly or typed

Any misrepresentation in the answer to any question on this application is grounds for refusal or denial of the application or subsequent revocation of the license issued and is a violation of the laws of the State of Nevada.

<input type="checkbox"/> New Wholesaler	<input checked="" type="checkbox"/> Ownership Change (Please provide current license number if making changes: WH <u>00547</u> )
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<input type="checkbox"/> Publicly Traded Corporation – Pages 1,2,3,4	<input type="checkbox"/> Partnership - Pages 1,2,3,6
<input checked="" type="checkbox"/> Non Publicly Traded Corporation – Pages 1,2,3,5a,5b	<input type="checkbox"/> Sole Owner – Pages 1,2,3,7
Please check box for type of ownership and complete correct part of the application.	

**GENERAL INFORMATION**

Facility Name: St. Mary's Medical Park Pharmacy, Inc.

Physical Address: 10860 N. Mavinee Drive

Mailing Address: Same as above

City: Oro Valley State: Arizona Zip Code: 85737

Telephone: (520) 837-0120 Fax: (520) 297-5004

Toll Free Number: 1-800-995-8157

E-mail: fjuliano@stmarysmpp.com Website: www.stmarysmpp.com

Facility Manager: Frank Juliano

Professional qualifications and experience of facility manager: See attached

**Types of licensed outlets or authorized persons firm will serve:**

☐ Pharmacies      ☒ Practitioners      ☐ Hospitals      ☐ Wholesalers  
☐ Other: \_\_\_\_\_

**Type of Products to be handled or wholesaled by firm:**

☒ Legend Pharmaceuticals, Supplies or Devices      ☐ Hypodermic Devices  
☐ Poisons or Chemicals      ☐ Veterinary Legend Drugs  
☒ Controlled Substances (include copy of DEA) (DEA Certificate pending due to change of ownership)  
☒ Other: OTC

II

**NEVADA STATE BOARD OF PHARMACY**  
431 W Plumb Lane – Reno, NV 89509 – (775) 850-1440  
**APPLICATION FOR OUT-OF-STATE WHOLESALER LICENSE**

\$500.00 Fee made payable to: Nevada State Board of Pharmacy  
(non-refundable and not transferable money order or cashier's check only)  
Application must be printed legibly or typed

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<input checked="" type="checkbox"/> New Wholesaler	<input type="checkbox"/> Ownership Change
(Please provide current license number if making changes: WH_____)	

<input type="checkbox"/> Publicly Traded Corporation – Pages 1,2,3,4	<input type="checkbox"/> Partnership - Pages 1,2,3,6
<input checked="" type="checkbox"/> Non Publicly Traded Corporation – Pages 1,2,3,5a,5b	<input type="checkbox"/> Sole Owner – Pages 1,2,3,7
Please check box for type of ownership and complete correct part of the application.	

**GENERAL INFORMATION**

Facility Name: TOTAL PHARMACY SUPPLY

Physical Address: 3400 AVENUE E EAST

Mailing Address: 3400 AVENUE E EAST

City: ARLINTON State: TEXAS Zip Code: 76011

Telephone: 214-680-3734 Fax: 817-861-8307

Toll Free Number: 800-878-2822

COMPLIANCE@TOTALPHARMACYSUPPLY.COM  
E-mail: \_\_\_\_\_ Website: WWW.TOTALPHARMACYSUPPLY.COM

Facility Manager: JEFF MOSES

Professional qualifications and experience of facility manager: OVER 10+ YEARS MANAGEMENT

Types of licensed outlets or authorized persons firm will serve:

☒ Pharmacies      ☒ Practitioners      ☒ Hospitals      ☐ Wholesalers  
☐ Other: \_\_\_\_\_

Type of Products to be handled or wholesaled be firm:

☒ Legend Pharmaceuticals, Supplies or Devices      ☐ Hypodermic Devices  
☐ Poisons or Chemicals      ☒ Veterinary Legend Drugs  
☐ Controlled Substances (include copy of DEA)  
☐ Other: \_\_\_\_\_

11

**NEVADA STATE BOARD OF PHARMACY**  
431 W Plumb Lane – Reno, NV 89509 – (775) 850-1440  
**APPLICATION FOR OUT-OF-STATE WHOLESALER LICENSE**

\$500.00 Fee made payable to: Nevada State Board of Pharmacy  
(non-refundable and not transferable money order or cashier's check only)  
Application must be printed legibly or typed

Any misrepresentation in the answer to any question on this application is grounds for refusal or denial of the application or subsequent revocation of the license issued and is a violation of the laws of the State of Nevada.

☒ New Wholesaler ☐ Ownership Change  
(Please provide current license number if making changes: WH \_\_\_\_\_)

☐ Publicly Traded Corporation – Pages 1,2,3,4 ☐ Partnership - Pages 1,2,3,6  
☒ Non Publicly Traded Corporation – Pages 1,2,3,5a,5b ☐ Sole Owner – Pages 1,2,3,7  
Please check box for type of ownership and complete correct part of the application.

**GENERAL INFORMATION**

Facility Name: Tri - Pharma, Inc.  
Physical Address: 1290 Kennestone Circle Bldg A, Ste 112 Marietta, GA 30066  
Mailing Address: 1290 Kennestone Circle Bldg A, Ste 112  
City: Marietta State: GA Zip Code: 30066  
Telephone: (678) 581-1704 Fax: (678) 581-1705  
Toll Free Number: (888) 660-1704  
E-mail: todd@tri-pharma.com Website: www.tri-pharma.com  
Facility Manager: Todd Infante  
Professional qualifications and experience of facility manager: See Attached  
Resume

Types of licensed outlets or authorized persons firm will serve:

☒ Pharmacies ☒ Practitioners ☒ Hospitals ☒ Wholesalers  
☐ Other: \_\_\_\_\_

Type of Products to be handled or wholesaled by firm:

☒ Legend Pharmaceuticals, Supplies or Devices ☐ Hypodermic Devices  
☐ Poisons or Chemicals ☐ Veterinary Legend Drugs  
☐ Controlled Substances (include copy of DEA)  
☒ Other: OTC products

KK

**NEVADA STATE BOARD OF PHARMACY**  
431 W Plumb Lane – Reno, NV 89509 – (775) 850-1440  
**APPLICATION FOR OUT-OF-STATE WHOLESALER LICENSE**

\$500.00 Fee made payable to: Nevada State Board of Pharmacy  
(non-refundable and not transferable money order or cashier's check only)  
Application must be printed legibly or typed

Any misrepresentation in the answer to any question on this application is grounds for refusal or denial of the application or subsequent revocation of the license issued and is a violation of the laws of the State of Nevada.

<input checked="" type="checkbox"/> New Wholesaler	<input type="checkbox"/> Ownership Change
(Please provide current license number if making changes: WH_____)	

<input checked="" type="checkbox"/> Publicly Traded Corporation – Pages 1,2,3,4	<input type="checkbox"/> Partnership - Pages 1,2,3,6
<input type="checkbox"/> Non Publicly Traded Corporation – Pages 1,2,3,5a,5b	<input type="checkbox"/> Sole Owner – Pages 1,2,3,7
Please check box for type of ownership and complete correct part of the application.	

**GENERAL INFORMATION**

Facility Name: Westminster Pharmaceuticals, LLC

Physical Address: 154 Downing St., Unit #1 & #2, Olive Branch, MS 38654

Mailing Address: 1115 Gunn Hwy., Suite 201

City: Odessa State: FL Zip Code: 33556

Telephone: 888-354-9939 Fax: 888-934-5648

Toll Free Number: 888-354-9939

E-mail: jgillette@westnminsterrx.com Website: http://www.westminsterpharmaceuticals.com/

Facility Manager: Krist'a Zumbro

Professional qualifications and experience of facility manager: CPhT for over 3 yrs.

Types of licensed outlets or authorized persons firm will serve:

☒ Pharmacies      ☒ Practitioners      ☒ Hospitals      ☒ Wholesalers  
☐ Other: \_\_\_\_\_

Type of Products to be handled or wholesaled be firm:

<input checked="" type="checkbox"/> Legend Pharmaceuticals, Supplies or Devices	<input checked="" type="checkbox"/> Hypodermic Devices
<input checked="" type="checkbox"/> Poisons or Chemicals	<input type="checkbox"/> Veterinary Legend Drugs
<input type="checkbox"/> Controlled Substances (include copy of DEA)	
<input type="checkbox"/> Other: _____	

90331

NEVADA STATE BOARD OF PHARMACY

431 W Plumb Lane – Reno, NV 89509 – (775) 850-1440

APPLICATION FOR OUT-OF-STATE WHOLESALER LICENSE

\$500.00 Fee made payable to: Nevada State Board of Pharmacy

(non-refundable and not transferable money order or cashier's check only)

Application must be printed legibly or typed

Any misrepresentation in the answer to any question on this application is grounds for refusal or denial of the application or subsequent revocation of the license issued and is a violation of the laws of the State of Nevada.

☒ New Wholesaler

☐ Ownership Change

(Please provide current license number if making changes: WH\_\_\_\_\_)

☐ Publicly Traded Corporation – Pages 1,2,3,4

☐ Partnership - Pages 1,2,3,6

☒ Non Publicly Traded Corporation – Pages 1,2,3,5a,5b

☐ Sole Owner – Pages 1,2,3,7

Please check box for type of ownership and complete correct part of the application.

GENERAL INFORMATION

Facility Name:

Woodfield Distribution, LLC

Physical Address:

1113 Gillingham Lane, Suite A, Sugar Land, TX 77478

Mailing Address:

951 Clint Moore Road, Suite A

City:

POCA RATON

State:

FL

Zip Code:

33487

Telephone:

(281) 886-5600

Fax:

(281) 886-5601

Toll Free Number:

N/A

E-mail:

ARUNDO24@WDSRX.COM

Website:

WWW.WDSRX.COM

Facility Manager:

Jordan Hudesner

Professional qualifications and experience of facility manager:

<see Attached>

Types of licensed outlets or authorized persons firm will serve:

☐ Pharmacies

☐ Practitioners

☐ Hospitals

☒ Wholesalers

☒ Other:

Retail Pharmacy Chains

Type of Products to be handled or wholesaled by firm:

☒ Legend Pharmaceuticals, Supplies or Devices

☐ Hypodermic Devices

☐ Poisons or Chemicals

☐ Veterinary Legend Drugs

☐ Controlled Substances (include copy of DEA)

☐ Other:



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## NEVADA STATE BOARD OF PHARMACY

431 W Plumb Lane – Reno, NV 89509 – (775) 850-1440

### APPLICATION FOR OUT-OF-STATE MDEG LICENSE

\$500.00 Fee made payable to: Nevada State Board of Pharmacy

(non-refundable and not transferable money order or cashier's check only)

Application must be printed legibly or typed

Any misrepresentation in the answer to any question on this application is grounds for refusal or denial of the application or subsequent revocation of the license issued and is a violation of the laws of the State of Nevada.

<input checked="" type="checkbox"/> New MDEG	<input type="checkbox"/> Ownership Change
(Please provide current license number if making changes: MP or MW _____)	
<input type="checkbox"/> Publicly Traded Corporation – Pages 1,2,3,4	<input type="checkbox"/> Partnership - Pages 1,2,3,6
<input checked="" type="checkbox"/> Non Publicly Traded Corporation – Pages 1,2,3,5	<input type="checkbox"/> Sole Owner – Pages 1,2,3,7
Please check box for type of ownership and complete correct part of the application.	

#### FACILITY INFORMATION

Facility Name: ArjoHuntleigh Inc.

Physical Address: 468 Pell Drive, Suite B, Sacramento, CA 95838  
(This must be a business address, we can not issue a license to a home address)

Mailing Address: 2349 W. Lake St., Suite 250

City: Addison State: IL Zip Code: 60101

Telephone: 630.785.4885 Fax: N/A

E-mail: brenda.cummonette@arjohuntleigh.com Website: www.arjohuntleigh.com

#### DAYS AND HOURS THAT THE FACILITY WILL BE REGULARLY OPERATING

Mon: 9 to 4 Tue: 9 to 4 Wed: 9 to 4 Thu: 9 to 4  
Fri: 9 to 4 Sat: ON call to Sun: ON call to Holidays: ON call to

#### MDEG ADMINISTRATOR INFORMATION: Person in charge on a daily basis

Name: Darel Fonseca

#### TYPE OF MDEG PRODUCTS THAT WILL BE SOLD (CHECK ALL APPLICABLE)

- ☐ Medical Gases\*\*
- ☐ Respiratory Equipment\*\*
- ☐ Life-sustaining equipment\*\*
- ☐ Diabetic Supplies

- ☐ Assistive Equipment
- ☐ Parenteral and Enteral Equipment\*\*
- ☐ Orthotics and Prosthesis

Other: Therapeutic Mattresses and Beds

\*\*If providing these types of services you are required to have in place a mechanism to ensure continued care in the event of an emergency. Provide name and telephone number of Nevada contact.

Name: N/A

Telephone: N/A

90415

NN

# NEVADA STATE BOARD OF PHARMACY

431 W Plumb Lane – Reno, NV 89509 – (775) 850-1440

## APPLICATION FOR OUT-OF-STATE MDEG LICENSE

\$500.00 Fee made payable to: Nevada State Board of Pharmacy

(non-refundable and not transferable money order or cashier's check only)

Application must be printed legibly or typed

Any misrepresentation in the answer to any question on this application is grounds for refusal or denial of the application or subsequent revocation of the license issued and is a violation of the laws of the State of Nevada.

<input checked="" type="checkbox"/> New MDEG	<input type="checkbox"/> Ownership Change
(Please provide current license number if making changes: MP or MW _____)	
<input type="checkbox"/> Publicly Traded Corporation – Pages 1,2,3,4	<input type="checkbox"/> Partnership - Pages 1,2,3,6
<input checked="" type="checkbox"/> Non Publicly Traded Corporation – Pages 1,2,3,5	<input type="checkbox"/> Sole Owner – Pages 1,2,3,7
Please check box for type of ownership and complete correct part of the application.	

### FACILITY INFORMATION

Facility Name: CEVA Freight LLC

Physical Address: 2727 E London-Groveport Rd  
(This must be a business address, we can not issue a license to a home address)

Mailing Address: 2727 E London-Groveport Rd

City: Groveport State: OH Zip Code: 43125

Telephone: 614-489-5164 Fax: 614-454-4200

E-mail: kay.knox@cevalogistics.com Website: www.CEVAlogistics.com

### DAYS AND HOURS THAT THE FACILITY WILL BE REGULARLY OPERATING

Mon: 9 to 5 Tue: 9 to 5 Wed: 9 to 5 Thu: 9 to 5

Fri: 9 to 5 Sat: to Sun: to Holidays: to

### MDEG ADMINISTRATOR INFORMATION: Person in charge on a daily basis

Name: Carey Boone, General Manager

### TYPE OF MDEG PRODUCTS THAT WILL BE SOLD (CHECK ALL APPLICABLE)

- |  |   |
|--|---|
| <input type="checkbox"/> Medical Gases**             | <input type="checkbox"/> Assistive Equipment  |
| <input type="checkbox"/> Respiratory Equipment**     | <input type="checkbox"/> Parenteral and Enteral Equipment**   |
| <input type="checkbox"/> Life-sustaining equipment** | <input type="checkbox"/> Orthotics and Prosthesis   |
| <input type="checkbox"/> Diabetic Supplies           | <input checked="" type="checkbox"/> Other: <u>Rx medical devices, accessories, components and parts</u> |

\*\*If providing these types of services you are required to have in place a mechanism to ensure continued care in the event of an emergency. Provide name and telephone number of Nevada contact.

Name: \_\_\_\_\_ Telephone: \_\_\_\_\_

90335



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**NEVADA STATE BOARD OF PHARMACY**

431 W Plumb Lane – Reno, NV 89509 – (775) 850-1440

**APPLICATION FOR OUT-OF-STATE MDEG LICENSE**

\$500.00 Fee made payable to: Nevada State Board of Pharmacy

**(non-refundable and not transferable money order or cashier's check only)**

Application must be printed legibly or typed

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<input checked="" type="checkbox"/> New MDEG	<input type="checkbox"/> Ownership Change
(Please provide current license number if making changes: MP or MW _____)	
<input type="checkbox"/> Publicly Traded Corporation – Pages 1,2,3,4	<input type="checkbox"/> Partnership - Pages 1,2,3,6
<input type="checkbox"/> Non Publicly Traded Corporation – Pages 1,2,3,5	<input checked="" type="checkbox"/> Sole Owner – Pages 1,2,3,7
Please check box for type of ownership and complete correct part of the application.	

**FACILITY INFORMATION**Facility Name: Diana S. Guth dba Home Respiratory CarePhysical Address: 2370 Westwood Blvd, Ste D, Los Angeles, CA 90064

(This must be a business address, we can not issue a license to a home address)

Mailing Address: Same

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Telephone: (310) 441-4640 Fax: (310) 441-4642E-mail: david@hrcsleep.com Website: www.HRCSleep.com**DAYS AND HOURS THAT THE FACILITY WILL BE REGULARLY OPERATING**Mon: 9 AM to 5 PM Tue: 9 AM to 5 PM Wed: 9 AM to 5 PM Thu: 9 AM to 5 PMFri: 9 AM to 5 PM Sat: Closed Sun: Closed Holidays: Closed**MDEG ADMINISTRATOR INFORMATION: Person in charge on a daily basis**Name: Diana S. Guth**TYPE OF MDEG PRODUCTS THAT WILL BE SOLD (CHECK ALL APPLICABLE)**

- |   |   |
|---|---|
| <input type="checkbox"/> Medical Gases**                    | <input type="checkbox"/> Assistive Equipment                |
| <input checked="" type="checkbox"/> Respiratory Equipment** | <input type="checkbox"/> Parenteral and Enteral Equipment** |
| <input type="checkbox"/> Life-sustaining equipment**        | <input type="checkbox"/> Orthotics and Prosthesis           |
| <input type="checkbox"/> Diabetic Supplies                  | Other: _____  |

\*\*If providing these types of services you are required to have in place a mechanism to ensure continued care in the event of an emergency. Provide name and telephone number of Nevada contact.

Name: Was told N/A Telephone: \_\_\_\_\_

90334

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# NEVADA STATE BOARD OF PHARMACY

431 W Plumb Lane – Reno, NV 89509 – (775) 850-1440

## APPLICATION FOR OUT-OF-STATE MDEG LICENSE

\$500.00 Fee made payable to: Nevada State Board of Pharmacy

(non-refundable and not transferable money order or cashier's check only)

Application must be printed legibly or typed

Any misrepresentation in the answer to any question on this application is grounds for refusal or denial of the application or subsequent revocation of the license issued and is a violation of the laws of the State of Nevada.

<input checked="" type="checkbox"/> New MDEG	<input type="checkbox"/> Ownership Change
(Please provide current license number if making changes: MP or MW _____)	
<input checked="" type="checkbox"/> Publicly Traded Corporation – Pages 1,2,3,4	<input type="checkbox"/> Partnership – Pages 1,2,3,6
<input type="checkbox"/> Non Publicly Traded Corporation – Pages 1,2,3,5	<input type="checkbox"/> Sole Owner – Pages 1,2,3,7
Please check box for type of ownership and complete correct part of the application.	

### FACILITY INFORMATION

Facility Name: INOGEN INC

Physical Address: 1125 E. COLLINS BLVD. - SUITE 200

(This must be a business address, we can not issue a license to a home address)

Mailing Address: 1125 E. COLLINS BLVD. - SUITE 200

City: RICHARDSON State: TEXAS Zip Code: 75081

Telephone: 972-616-5500 Fax: 888-306-8766

E-mail: licensing@inogen.net Website: www.inogen.net

### DAYS AND HOURS THAT THE FACILITY WILL BE REGULARLY OPERATING

Mon: 9:00a to 4:00p Tue: 9:00a to 4:00p Wed: 9:00a to 4:00p Thu: 9:00a to 4:00p

Fri: 9:00a to 4:00p Sat: CLOSED to \_\_\_\_\_ Sun: CLOSED to \_\_\_\_\_ Holidays: CLOSED to \_\_\_\_\_

### MDEG ADMINISTRATOR INFORMATION: Person in charge on a daily basis

Name: PAUL BRISTOW

### TYPE OF MDEG PRODUCTS THAT WILL BE SOLD (CHECK ALL APPLICABLE)

- |   |   |
|---|---|
| <input checked="" type="checkbox"/> Medical Gases**         | <input type="checkbox"/> Assistive Equipment                |
| <input checked="" type="checkbox"/> Respiratory Equipment** | <input type="checkbox"/> Parenteral and Enteral Equipment** |
| <input type="checkbox"/> Life-sustaining equipment**        | <input type="checkbox"/> Orthotics and Prosthetics          |
| <input type="checkbox"/> Diabetic Supplies                  | Other: _____  |

\*\*If providing these types of services you are required to have in place a mechanism to ensure continued care in the event of an emergency. Provide name and telephone number of Nevada contact.

Name: INOGEN CUSTOMER HOT LINE Telephone: 877-466-4364

QQ

# NEVADA STATE BOARD OF PHARMACY

431 W Plumb Lane – Reno, NV 89509 – (775) 850-1440

## APPLICATION FOR OUT-OF-STATE MDEG LICENSE

\$500.00 Fee made payable to: Nevada State Board of Pharmacy

(non-refundable and not transferable money order or cashier's check only)

Application must be printed legibly or typed

Any misrepresentation in the answer to any question on this application is grounds for refusal or denial of the application or subsequent revocation of the license issued and is a violation of the laws of the State of Nevada.

<input checked="" type="checkbox"/> New MDEG	<input type="checkbox"/> Ownership Change
(Please provide current license number if making changes: MP or MW _____)	
<input type="checkbox"/> Publicly Traded Corporation – Pages 1,2,3,4	<input type="checkbox"/> Partnership - Pages 1,2,3,6
<input checked="" type="checkbox"/> Non Publicly Traded Corporation – Pages 1,2,3,5	<input type="checkbox"/> Sole Owner – Pages 1,2,3,7
Please check box for type of ownership and complete correct part of the application.	

### FACILITY INFORMATION

Facility Name: Medline Industries, Inc.

Physical Address: 1501 Harris Road, Libertyville, IL 60048  
(This must be a business address, we can not issue a license to a home address)

Mailing Address: One Medline Place

City: Mundelein State: IL Zip Code: 60060

Telephone: 847-643-4857 (Cora Colvin) Fax: 866-806-4326

E-mail: ccolvin@medline.com Website: www.medline.com

### DAYS AND HOURS THAT THE FACILITY WILL BE REGULARLY OPERATING

Mon: 8 to 5 Tue: 8 to 5 Wed: 8 to 5 Thu: 8 to 5

Fri: 8 to 5 Sat: n/a to Sun: n/a to Holidays: 8 to 5 or n/a

### MDEG ADMINISTRATOR INFORMATION: Person in charge on a daily basis

Name: William Ingalls

### TYPE OF MDEG PRODUCTS THAT WILL BE SOLD (CHECK ALL APPLICABLE)

- |   |  |
|---|--|
| <input type="checkbox"/> Medical Gases**              | <input checked="" type="checkbox"/> Assistive Equipment  |
| <input type="checkbox"/> Respiratory Equipment**      | <input checked="" type="checkbox"/> Parenteral and Enteral Equipment**   |
| <input type="checkbox"/> Life-sustaining equipment**  | <input checked="" type="checkbox"/> Orthotics and Prosthetics  |
| <input checked="" type="checkbox"/> Diabetic Supplies | Other: <u>CPAPS, Catheters, TENS Units, Incontinence Supplies, Manual Wheelchairs, Compression Stockings, Ostomy/Urologicals</u> |

\*\*If providing these types of services you are required to have in place a mechanism to ensure continued care in the event of an emergency. Provide name and telephone number of Nevada contact.

Name: The Corporation Trust Company of Nevada Telephone: 775-888-4060

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RR

## NEVADA STATE BOARD OF PHARMACY

431 W Plumb Lane – Reno, NV 89509 – (775) 850-1440

### APPLICATION FOR OUT-OF-STATE MDEG LICENSE

\$500.00 Fee made payable to: Nevada State Board of Pharmacy

(non-refundable and not transferable money order or cashier's check only)

Application must be printed legibly or typed

Any misrepresentation in the answer to any question on this application is grounds for refusal or denial of the application or subsequent revocation of the license issued and is a violation of the laws of the State of Nevada.

<input checked="" type="checkbox"/> New MDEG	<input type="checkbox"/> Ownership Change (Please provide current license number if making changes: MP or MW _____)
<input type="checkbox"/> Publicly Traded Corporation – Pages 1,2,3,4	<input type="checkbox"/> Partnership - Pages 1,2,3,6
<input type="checkbox"/> Non Publicly Traded Corporation – Pages 1,2,3,5	<input checked="" type="checkbox"/> Sole Owner – Pages 1,2,3,7
Please check box for type of ownership and complete correct part of the application.	

### FACILITY INFORMATION

Facility Name: Premier Medical Equipment, INC

Physical Address: 8403 Benjamin Rd Suite A  
(This must be a business address, we can not issue a license to a home address)

Mailing Address: P.O. Box 153082

City: Tampa State: FL Zip Code: 33684-9906

Telephone: 813-903-2382 Fax: 813-425-7759

E-mail: Shane@braceback.com Website: N/A

### DAYS AND HOURS THAT THE FACILITY WILL BE REGULARLY OPERATING

Mon: 8:30 to 3:00 Tue: 8:30 to 3:00 Wed: 8:30 to 3:00 Thu: 8:30 to 3:00

Fri: 8:30 to 3:00 Sat: N/A to N/A Sun: N/A to N/A Holidays: N/A to N/A

### MDEG ADMINISTRATOR INFORMATION: Person in charge on a daily basis

Name: Christopher Shane Miller

### TYPE OF MDEG PRODUCTS THAT WILL BE SOLD (CHECK ALL APPLICABLE)

- ☐ Medical Gases\*\*
- ☐ Respiratory Equipment\*\*
- ☐ Life-sustaining equipment\*\*
- ☒ Diabetic Supplies

- ☐ Assistive Equipment
- ☐ Parenteral and Enteral Equipment\*\*
- ☒ Orthotics and Prosthesis
- Other: Electrotherapy

\*\*If providing these types of services you are required to have in place a mechanism to ensure continued care in the event of an emergency. Provide name and telephone number of Nevada contact.

Name: N/A

Telephone: N/A

90768

SS

**NEVADA STATE BOARD OF PHARMACY**

431 W Plumb Lane – Reno, NV 89509 – (775) 850-1440

**APPLICATION FOR OUT-OF-STATE MDEG LICENSE**

\$500.00 Fee made payable to: Nevada State Board of Pharmacy

**(non-refundable and not transferable money order or cashier's check only)**

Application must be printed legibly or typed

Any misrepresentation in the answer to any question on this application is grounds for refusal or denial of the application or subsequent revocation of the license issued and is a violation of the laws of the State of Nevada.

<input checked="" type="checkbox"/> New MDEG	<input type="checkbox"/> Ownership Change (Please provide current license number if making changes: MP or MW _____)
<input type="checkbox"/> Publicly Traded Corporation – Pages 1,2,3,4	<input type="checkbox"/> Partnership - Pages 1,2,3,6
<input checked="" type="checkbox"/> Non Publicly Traded Corporation – Pages 1,2,3,5	<input type="checkbox"/> Sole Owner – Pages 1,2,3,7
Please check box for type of ownership and complete correct part of the application.	

**FACILITY INFORMATION**Facility Name: Preston Wound CarePhysical Address: 500 S. Tennessee St., McKinney, TX, 75069  
(This must be a business address, we can not issue a license to a home address)Mailing Address: 500 S. Tennessee St., McKinney, TX, 75069City: McKinney State: TX Zip Code: 75069Telephone: 888-619-6863 Fax: 866-509-9160E-mail: bcarroll74@hotmail.com Website: www.prestonwoundcare.com**DAYS AND HOURS THAT THE FACILITY WILL BE REGULARLY OPERATING**Mon: 8 to 6 Tue: 8 to 6 Wed: 8 to 6 Thu: 8 to 6Fri: 8 to 6 Sat: to Sun: to Holidays: 8 to 6**MDEG ADMINISTRATOR INFORMATION: Person in charge on a daily basis**Name: Pam Posey**TYPE OF MDEG PRODUCTS THAT WILL BE SOLD (CHECK ALL APPLICABLE)**

- |  |   |
|--|---|
| <input type="checkbox"/> Medical Gases**             | <input type="checkbox"/> Assistive Equipment                |
| <input type="checkbox"/> Respiratory Equipment**     | <input type="checkbox"/> Parenteral and Enteral Equipment** |
| <input type="checkbox"/> Life-sustaining equipment** | <input type="checkbox"/> Orthotics and Prosthesis           |
| <input type="checkbox"/> Diabetic Supplies           | Other: <u>Wound, Ostomy, and Urological Supplies</u>        |

\*\*If providing these types of services you are required to have in place a mechanism to ensure continued care in the event of an emergency. Provide name and telephone number of Nevada contact.

Name: \_\_\_\_\_ Telephone: \_\_\_\_\_

90767

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**NEVADA STATE BOARD OF PHARMACY**  
 431 W Plumb Lane – Reno, NV 89509 – (775) 850-1440  
**APPLICATION FOR NEVADA PHARMACY LICENSE**

\$500.00 Fee made payable to: Nevada State Board of Pharmacy

**(non-refundable and not transferable money order or cashier's check only)**

Application must be printed legibly or typed

Any misrepresentation in the answer to any question on this application is grounds for refusal or denial of the application or subsequent revocation of the license issued and is a violation of the laws of the State of Nevada.

<input type="checkbox"/> New Pharmacy	<input checked="" type="checkbox"/> <b>Ownership Change</b> (Please provide current license number if making changes: PH <u>ASC025911</u> )	<input type="checkbox"/> Name Change	<input type="checkbox"/> Location Change
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<input type="checkbox"/> Publicly Traded Corporation – Pages 1,2,3,7,8a,8b	<input type="checkbox"/> Partnership - Pages 1,2,5,7,8a,8b
<input checked="" type="checkbox"/> Non Publicly Traded Corporation – Pages 1,2,4a,4b,7,8a,8b	<input type="checkbox"/> Sole Owner – Pages 1,2,6,7,8a,8b

Please check box for type of ownership and complete correct part of the application.

**GENERAL INFORMATION to be completed by all types of ownership**

Pharmacy Name: Parkway Surgery Center @ Horizon Ridge  
 Physical Address: 10561 Jeffreys St. Ste 130  
 Mailing Address: 10561 Jeffreys St. Ste 130  
 City: HENDERSON State: NV Zip Code: 89052  
 Telephone: 702-724-8900 Fax: 702-982-8854  
 Toll Free Number: \_\_\_\_\_  
 E-mail: Susie@HorizonSurgicalCenter.com Website: www.Parkway-SC.com  
 Managing Pharmacist: MARY GEAR RPH License Number: 10687

**Hours of Operation:**

Monday thru Friday 7 am 5 pm                      Saturday 7 am 5 pm  
 Sunday \_\_\_\_\_ am \_\_\_\_\_ pm                      24 Hours \_\_\_\_\_

**TYPE OF PHARMACY**

**SERVICES PROVIDED**

<input type="checkbox"/> Retail	<input type="checkbox"/> Off-site Cognitive Services
<input type="checkbox"/> Hospital (# beds _____)	<input type="checkbox"/> Parenteral
<input type="checkbox"/> Internet	<input type="checkbox"/> Parenteral (outpatient)
<input type="checkbox"/> Nuclear	<input type="checkbox"/> Outpatient/Discharge
<input type="checkbox"/> Out of State	<input type="checkbox"/> Mail Service
<input checked="" type="checkbox"/> Ambulatory Surgery Center	<input type="checkbox"/> Long Term Care

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**NEVADA STATE BOARD OF PHARMACY**  
 431 W Plumb Lane – Reno, NV 89509 – (775) 850-1440  
**APPLICATION FOR NEVADA PHARMACY LICENSE**

\$500.00 Fee made payable to: Nevada State Board of Pharmacy

**(non-refundable and not transferable money order or cashier's check only)**

Application must be printed legibly or typed

Any misrepresentation in the answer to any question on this application is grounds for refusal or denial of the application or subsequent revocation of the license issued and is a violation of the laws of the State of Nevada.

<input checked="" type="checkbox"/> New Pharmacy	<input type="checkbox"/> Ownership Change	<input type="checkbox"/> Name Change	<input type="checkbox"/> Location Change
(Please provide current license number if making changes: PH _____)			

<input checked="" type="checkbox"/> Publicly Traded Corporation – Pages 1,2,3,7,8a,8b	<input type="checkbox"/> Partnership - Pages 1,2,5,7,8a,8b
<input type="checkbox"/> Non Publicly Traded Corporation – Pages 1,2,4a,4b,7,8a,8b	<input type="checkbox"/> Sole Owner – Pages 1,2,6,7,8a,8b
Please check box for type of ownership and complete correct part of the application.	

**GENERAL INFORMATION to be completed by all types of ownership**

Pharmacy Name: Southwest Surgery Center Tenaya  
 Physical Address: 2650 N. Tenaya Way, Suite 101  
 Mailing Address: P.O. Box 15645, ATTN: Surgery Center Tenaya, 89114  
 City: Las Vegas State: NV Zip Code: 89128  
 Telephone: 702-560-2050 Fax: 702-560-2037  
 Toll Free Number: N/A  
 E-mail: marie.deisler@optum.com Website: smalv.com  
 Managing Pharmacist: Gina Tracy License Number: 13272

**Hours of Operation:**

Monday thru Friday 7 am 5 pm                      Saturday N/A am N/A pm  
 Sunday N/A am N/A pm                      24 Hours N/A

**TYPE OF PHARMACY**

**SERVICES PROVIDED**

<input type="checkbox"/> Retail	<input type="checkbox"/> Off-site Cognitive Services
<input type="checkbox"/> Hospital (# beds _____)	<input type="checkbox"/> Parenteral
<input type="checkbox"/> Internet	<input type="checkbox"/> Parenteral (outpatient)
<input type="checkbox"/> Nuclear	<input type="checkbox"/> Outpatient/Discharge
<input type="checkbox"/> Out of State	<input type="checkbox"/> Mail Service
<input checked="" type="checkbox"/> Ambulatory Surgery Center	<input type="checkbox"/> Long Term Care

90764



VN

**NEVADA STATE BOARD OF PHARMACY**  
431 W Plumb Lane – Reno, NV 89509 – (775) 850-1440  
**APPLICATION FOR NEVADA PHARMACY LICENSE**

\$500.00 Fee made payable to: Nevada State Board of Pharmacy

**(non-refundable and not transferable money order or cashier's check only)**

Application must be printed legibly or typed

Any misrepresentation in the answer to any question on this application is grounds for refusal or denial of the application or subsequent revocation of the license issued and is a violation of the laws of the State of Nevada.

<input checked="" type="checkbox"/> New Pharmacy	<input type="checkbox"/> Ownership Change	<input type="checkbox"/> Name Change	<input type="checkbox"/> Location Change
(Please provide current license number if making changes: PH _____)			

<input type="checkbox"/> Publicly Traded Corporation – Pages 1,2,3,7,8a,8b	<input type="checkbox"/> Partnership - Pages 1,2,5,7,8a,8b
<input type="checkbox"/> Non Publicly Traded Corporation – Pages 1,2,4a,4b,7,8a,8b	<input checked="" type="checkbox"/> Sole Owner – Pages 1,2,6,7,8a,8b
Please check box for type of ownership and complete correct part of the application.	

**GENERAL INFORMATION to be completed by all types of ownership**

Pharmacy Name: VALLEY PHARMACY

Physical Address: 5055 SUN VALLEY BLVD SUITE 210, SUN VALLEY, NV -89431

Mailing Address: 4849 SANTENAY LANE, SPARKS, NV - 89436

City: SPARKS State: NV Zip Code: 89436

Telephone: 410-926-0698 Fax: -

Toll Free Number: -

E-mail: amarkc14@gmail.com Website: -

Managing Pharmacist: AMAR KUMAR CHANDALURI License Number: 17948

**Hours of Operation:**

Monday thru Friday 9 am 7 pm      Saturday 10 am 2 pm

Sunday 10 am 2 pm      24 Hours \_\_\_\_\_

**TYPE OF PHARMACY**

**SERVICES PROVIDED**

<input checked="" type="checkbox"/> Retail	<input type="checkbox"/> Off-site Cognitive Services
<input type="checkbox"/> Hospital (# beds _____)	<input type="checkbox"/> Parenteral
<input type="checkbox"/> Internet	<input type="checkbox"/> Parenteral (outpatient)
<input type="checkbox"/> Nuclear	<input checked="" type="checkbox"/> Outpatient/Discharge
<input type="checkbox"/> Out of State	<input type="checkbox"/> Mail Service
<input type="checkbox"/> Ambulatory Surgery Center	<input type="checkbox"/> Long Term Care

90821



WW

# NEVADA STATE BOARD OF PHARMACY

431 W Plumb Lane – Reno, NV 89509 – (775) 850-1440

## APPLICATION FOR NEVADA Medical Device, Equipment & Gases (MDEG)

\$500.00 Fee made payable to: Nevada State Board of Pharmacy

(non-refundable and not transferable money order or cashier's check only)

Application must be printed legibly or typed

Any misrepresentation in the answer to any question on this application is grounds for refusal or denial of the application or subsequent revocation of the license issued and is a violation of the laws of the State of Nevada.

<input type="checkbox"/> New MDEG	<input checked="" type="checkbox"/> Ownership Change	<input type="checkbox"/> Name Change	<input type="checkbox"/> Location Change
(Please provide current license number if making changes: MP or MW <u>MP00134</u> )			

<input type="checkbox"/> Publicly Traded Corporation – Pages 1,2,3,4	<input type="checkbox"/> Partnership - Pages 1,2,3,6
<input checked="" type="checkbox"/> Non Publicly Traded Corporation – Pages 1,2,3,5a,5b	<input type="checkbox"/> Sole Owner – Pages 1,2,3,7
Please check box for type of ownership and complete correct part of the application.	

### GENERAL INFORMATION to be completed by all types of ownership

MDEG Name: SOUTHERN NEVADA OXYGEN, INC

Physical Address: 187 N. GIBSON RD, HENDERSON, NV 89014-6713  
(This must be a business address, we can not issue a license to a home address)

Mailing Address: 3325 BARTLETT BLVD

City: ORLANDO State: FL Zip Code: 32811

Telephone: 702-696-1313 Fax: 702-696-0133

E-mail: Cosas.jlie@aerocareusa.com Website: www.aerocareusa.com

### DAYS AND HOURS THAT THE FACILITY WILL BE REGULARLY OPERATING

Mon: 8am to 5pm Tue: 8am to 5pm Wed: 8am to 5pm Thu: 8am to 5pm  
Fri: 8am to 5pm Sat: — to — Sun: — to — Holidays: — to —

### MDEG ADMINISTRATOR INFORMATION (MDEG administrator application required)

Name: KEN HAMMOND

### TYPE OF MDEG PRODUCTS THAT WILL BE SOLD (CHECK ALL APPLICABLE)

<input checked="" type="checkbox"/> Medical Gases**	<input checked="" type="checkbox"/> Assistive Equipment
<input checked="" type="checkbox"/> Respiratory Equipment**	<input checked="" type="checkbox"/> Parenteral and Enteral Equipment**
<input checked="" type="checkbox"/> Life-sustaining equipment**	<input type="checkbox"/> Orthotics and Prosthesis
<input type="checkbox"/> Diabetic Supplies	Other: _____

\*\*If providing these types of services you are required to have in place a mechanism to ensure continued care in the event of an emergency. Provide name and telephone number of Nevada contact. Name: KEN HAMMOND Telephone: 702-696-1313

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BEFORE THE NEVADA STATE BOARD OF PHARMACY



NEVADA STATE BOARD OF PHARMACY, )  
)  
Petitioner, )  
v. )  
)  
STRATEGIC PHARMACEUTICALS )  
SOLUTIONS, INC., d/b/a VETSOURCE )  
HOME DELIVERY, Certificate of Registration )  
No. PH02320, )  
)  
Respondent. /

CASE NO. 15-042-PH-O

AMENDED NOTICE OF  
INTENDED ACTION AND  
ACCUSATION

Larry L. Pinson, in his official capacity as Executive Secretary of the Nevada State Board of Pharmacy, makes the following that will serve as both a notice of intended action under Nevada Revised Statutes (NRS) 233B.127(3), and as an accusation under NRS 639.241.

I.

The Nevada State Board of Pharmacy (Board) has jurisdiction over this matter because at the time of the events alleged herein, Respondent Strategic Pharmaceuticals Solutions, Inc., doing business in Nevada as VetSource Home Delivery, Certificate of Registration No. PH02320 (VetSource), was an out-of-state pharmacy registered with the Board.

FACTUAL ALLEGATIONS

II.

In January 2015, Board Staff became aware that VetSource, located in Portland, Oregon, is engaged in a business practice in Nevada wherein it provides to Nevada veterinary facilities and veterinarians unlawful financial benefits and/or other consideration or remuneration for referring or otherwise directing prescriptions to VetSource to be filled.

III.

Upon learning of VetSource's business practice, Board Staff exchanged correspondence with and met with VetSource representatives and its counsel regarding VetSource's historical

and on-going violations of NRS 639.264—Nevada’s anti-kickback statute, as well as other Nevada statutes and regulations.

#### IV.

Board Staff’s communications with VetSource include a letter dated February 27, 2015, informing VetSource that it is operating in violation of NRS 639.264, and advising VetSource to stop its practice of allowing veterinary facilities to profit from the prescriptions they refer.

#### V.

In response to Board Staff’s communications, VetSource representatives, through legal counsel, have explained VetSource’s business model with particularity.

#### VI.

Through written and verbal communications, VetSource has explained that its transactions involve three VetSource-related entities: (1) *VetSource Wholesale*, a Nevada-licensed wholesaler, (2) *VetSource-contracted veterinary facilities*—it calls them “Veterinary Customers”—which are veterinary facilities in Nevada that have signed contracts with VetSource, and (3) respondent *VetSource Home Delivery*, a Nevada-licensed pharmacy.

#### VII.

VetSource’s representatives describe the dispensing process for prescriptions referred or directed to VetSource by its “Veterinary Customers” and their veterinarians as follows:

First, upon receiving a wholesale request from a Veterinary Customer to process a transaction, VetSource Wholesale sells the product, wholesale, to the Veterinary Customer under Nevada Board of Pharmacy Wholesale License Number WH0149 . . . . The Veterinary Customer takes title to the drug, but *not physical possession*.

Second, the Veterinary Customer then sells the product to the pet owner at a retail price set by the Veterinary Customer. The product is then consigned by the Veterinary Customer to VetSource Home Delivery *for processing under Nevada Board of Pharmacy License Number PH02320*.

At the direction of the Veterinary Customer, VetSource Home Delivery then *mails the prescription [medication] to the pet owner* directly . . . .

3/12/15 Petition for Declaratory Order or Advisory Opinion Regarding the Outsourced Hospital Pharmacy Service Business Model (Petition), ¶¶19-21 (emphasis added).

#### VIII.

In further explanation of this dispensing process, VetSource states:

The Veterinary Customer provides a lawful prescription, which it then directs VetSource to package, label, and prepare for delivery. The Veterinary Customer then directs VetSource to deliver the “controlled substance or dangerous drug to an ultimate use.”

Petition, pg. 11 (emphasis added).

#### IX.

Even though VetSource admits that it *packages, labels, prepares for delivery and delivers* prescription medications directly to pet owners under authority of its Nevada pharmacy license, it *professes to do no dispensing*. It maintains that it is what it calls an “outsourced pharmacy service” for veterinary dispensing. Answer, pg. 3-4. It purports to contract with each of its “Veterinary Customers” and their veterinarian to dispense medication that belongs to the Veterinary Customer and veterinarian. *Id.* The dispensing veterinarian at each Veterinary Customer’s facility *never takes physical possession or control of the medication*, but purportedly maintains direct control over the medication, and directs and maintains responsibility for the dispensing process. *Id.* Per its own explanation, “VetSource is physically packaging, labeling, and delivering the drug/product to the pet owner as a service for the veterinarian.” *Id.* at pg. 4. “[T]he veterinarian is financially responsible for the retail transaction between the veterinarian and the pet owner in exactly the same manner as if the veterinarian had sold the item from the veterinarian’s ‘in-house’ stock”. *Id.*

#### X.

VetSource employs no veterinarians, veterinary technicians or veterinary technicians in training. Only VetSource personnel possess, have access to, order and dispense the medication.

## XI.

VetSource further explains the process by which funds from the sale of each prescription it dispenses flow from the pet owner, through the VetSource-related entities, to the referring veterinary facility and/or veterinarian's account. Notably, those funds *can exceed what VetSource collects*, often leaving *funds for the veterinary facility and veterinarian to collect* as profit for directing prescriptions to VetSource:

- When the retail price of the prescription drug, other fees and taxes, and associated charges are captured from the pet owner's credit card, the entire sum of the retail transaction is *collected by VetSource* and *deposited into the Veterinary Customer's e-Merchant account*.
- The pet owner is then charged the retail price of the drug set by the Veterinary Customer. The Veterinary Customer has sole control over the retail price it would like to charge the pet owner.
- . . . the Veterinary Customer authorizes *VetSource to collect the retail price* on its behalf. The Veterinary Customer *authorizes VetSource to deduct amounts owed* to VetSource from the retail amount.
- After each transaction is settled, *any remaining funds* are available in the Veterinary Customer's e-Merchant account *until withdrawn by the Veterinary Customer* upon its request or a predetermined date.

Petition, ¶22 (emphasis added).

## XII.

Any monies that VetSource deposits in a veterinary facility's or veterinarian's e-Merchant account, and leaves in the account for the veterinary facility or veterinarian to collect as profit, constitute an unearned rebate, refund, commission, preference, patronage dividend, discount or other unearned consideration offered, delivered or paid by VetSource to the veterinary facility or veterinarian.

## XIII.

By engaging in the business model described above, VetSource has, and is, incentivizing

veterinary facilities and veterinarians to refer or otherwise direct prescriptions to it for filling by offering, delivering and/or paying an unearned and unlawful financial benefit or other consideration or remuneration as compensation or inducement to refer said prescriptions, patients and/or clients.

XIV.

On or about May 29, 2015, after discussing the issue with VetSource's representatives and counsel on numerous occasions, Board Staff issued a letter demanding that VetSource cease and desist from providing financial benefits and other consideration for prescriptions.

XV.

VetSource has not complied with Board Staff's May 29, 2015 order. It continues to engage in the business model described above.

**APPLICABLE LAW**

XVI.

*See Addendum A*, attached hereto and incorporated herein by reference thereto.

**FIRST CAUSE OF ACTION**

XVII.

By offering, delivering and/or paying financial benefits and other consideration or remuneration to veterinary facilities and veterinary prescribers for referring or directing prescriptions, patients, clients and/or customers to it, VetSource has violated, and continues to violate, NRS 639.264(1), which violations are grounds for action pursuant to NRS 639.210(4), (11) and/or (12), and NRS 639.255.

**SECOND CAUSE OF ACTION**

XIII.

By unlawfully preparing for dispensing and actually dispensing dangerous drugs and/or controlled substances that belong to a veterinary facility and/or veterinary dispensing practitioner from an off-site location that is not at that veterinarian's veterinary facility, and where no

veterinarian, veterinary technician or veterinary technician in training or other dispensing practitioner is (1) present, (2) has physical possession of the medication, (3) prepares the medication for dispensing, (4) dispenses the medication personally to the patient at the practitioner's facility, (5) physically secures the medication, and/or (6) verifies the medication ordered and received by VetSource, VetSource is guilty of aiding, assisting or abetting veterinarians and veterinary facilitates in unlawful activities (*see* NAC 638.0628, NAC 638.0629 and NAC 639.742 through 639.745), and is therefore guilty of unprofessional conduct under NAC 639.945. Accordingly, VetSource is subject to discipline pursuant to NRS 639.210(4) and (12) and/or NRS 639.255.

### **THIRD CAUSE OF ACTION**

#### **XIX.**

By failing to comply with Board Staff's March 29, 2015 cease and desist order and continuing to violate NRS 639.264(1), as alleged herein, VetSource is guilty of unprofessional conduct as defined in NAC 639.945(1), which violations are grounds for discipline pursuant to NRS 639.210(4) and/or NRS 639.255.

Wherefore, it is requested that the Nevada State Board of Pharmacy take appropriate disciplinary action with respect to the certificate of registration of this respondent.

Signed this 18<sup>th</sup> day of September, 2015.

  
Larry L. Pinson, Pharm.D. Executive Secretary of  
the Nevada State Board of Pharmacy

### **NOTICE TO RESPONDENT**

You have the right to show the Nevada State Board of Pharmacy that your conduct, as alleged above, complies with all lawful requirements regarding your certificate of registration. To do so, you must mail to the Board within 15 days of your receipt of this Notice of Intended Action and Accusation a written statement showing your compliance.



**ADDENDUM A**  
**(Relevant Substantive Statutes and Regulations.)**

**I. RELEVANT PHARMACY STATUTES AND REGULATIONS**

**NRS 639.0065 “Dispense” defined.**

1. “Dispense” means to deliver a controlled substance or dangerous drug to an ultimate user, patient or subject of research by or pursuant to the lawful order of a practitioner, including the prescribing by a practitioner, administering, packaging, labeling or compounding necessary to prepare the substance for that delivery.

2. The term does not include the furnishing of a controlled substance by a hospital pharmacy for inpatients.

**NRS 639.264 Rebates, refunds and commissions.**

1. No registered pharmacist, or owner of any pharmacy licensed under the provisions of this chapter, may offer, deliver or pay any unearned rebate, refund, commission, preference, patronage dividend, discount or other unearned consideration to any person, whether in the form of money or otherwise, as compensation or inducement to such person for referring prescriptions, patients, clients or customers to such pharmacist or pharmacy, irrespective of any membership, proprietary interest or co-ownership in or with any person by whom such prescriptions, patients, clients or customers are referred.

2. The furnishing to a practitioner by a pharmacist or a pharmacy of prescription blanks bearing the name or name and address of any pharmacy is an unearned rebate and an inducement to refer patients to such pharmacist or pharmacy.

**NAC 639.742 Dispensing of controlled substances or dangerous drugs: Application by practitioner for certificate of registration; application by facility required under certain circumstances; duties of dispensing practitioner and facility relating to drugs; authority of dispensing practitioner and technician.**

1. A practitioner who wishes to dispense controlled substances or dangerous drugs must apply to the Board on an application provided by the Board for a certificate of registration to dispense controlled substances or dangerous drugs. A practitioner must submit a separate application for each site of practice, including,

without limitation, a remote site, from which the practitioner wishes to dispense controlled substances or dangerous drugs. A certificate of registration to dispense controlled substances or dangerous drugs is a revocable privilege, and no holder of such a certificate of registration acquires any vested right therein or thereunder.

2. If a facility from which the practitioner intends to dispense dangerous drugs or controlled substances is not wholly owned and operated by the practitioner, the owner or owners of the facility must also submit an application to the Board on a form provided by the Board.

3. Except as otherwise provided in NRS 639.23277 and NAC 639.395, the dispensing practitioner and, if applicable, the owner or owners of the facility, shall ensure that:

- (a) All drugs are ordered by the dispensing practitioner;
- (b) All drugs are received and accounted for by the dispensing practitioner;
- (c) All drugs are stored in a secure, locked room or cabinet to which the dispensing practitioner has the only key or lock combination;
- (d) All drugs are dispensed in accordance with NAC 639.745;
- (e) No prescription is dispensed to a patient unless the dispensing practitioner is on-site at the facility;
- (f) All drugs are dispensed only to the patient personally at the facility;
- (g) The price of each drug dispensed to a patient is separately itemized on any bill or statement provided to the patient;
- (h) All drugs are dispensed only for medically necessary purposes and according to prevailing standards of care for practitioners practicing in the specialty claimed or practiced by the dispensing practitioner; and
- (i) The certificate for each dispensing technician employed at the facility is displayed in the room or cabinet in which drugs are stored.

4. With regard to the filling and dispensing of a prescription at a facility, only the dispensing practitioner or a dispensing technician may:

- (a) Enter the room or cabinet in which drugs are stored;
- (b) Remove drugs from stock;
- (c) Count, pour or reconstitute drugs;
- (d) Place drugs into containers;
- (e) Produce and affix appropriate labels to containers that contain or will contain drugs;
- (f) Fill containers for later use in dispensing drugs; or
- (g) Package or repackage drugs.

5. A dispensing practitioner may compound drug products if he or she complies with the provisions of NAC 639.661 to 639.690, inclusive, as if:

- (a) He or she were a pharmacist;
- (b) His or her practice site was a pharmacy; and
- (c) Any dispensing technician involved in the compounding was a pharmaceutical technician.

## II. RELEVANT VETERINARY DISPENSING REGULATIONS

**NAC 638.0628 Controlled substances: Requirements for registration; limitations on possession, administration, prescribing and dispensing; maintenance of stock; recordkeeping; maintenance and inspection of records.**

1. A veterinary facility at which controlled substances are possessed, administered, prescribed or dispensed shall ensure that one or more veterinarians who practice at that veterinary facility register and maintain a registration with the Drug Enforcement Administration of the United States Department of Justice and the State Board of Pharmacy. The certificates of registration with each agency must be available for inspection at the veterinary facility.

2. A veterinarian who is not registered with the Drug Enforcement Administration of the United States Department of Justice and the State Board of Pharmacy as described in subsection 1 may possess, administer, prescribe or dispense a controlled substance at a veterinary facility if the veterinarian:

(a) Is an employee or agent of the veterinarian who is registered pursuant to subsection 1;

(b) Practices in the same veterinary facility as the veterinarian who is registered pursuant to subsection 1;

(c) Possesses, administers, prescribes or dispenses the controlled substance in the normal course of his or her employment; and

(d) Complies with all the requirements and duties prescribed by law relating to the possession, administration, prescribing and dispensing of a prescription drug.

3. A veterinary facility which maintains a stock of controlled substances for administration or dispensing shall:

(a) Secure the stock of controlled substances in a locked container that is:

(1) Affixed to the structure and located within a locked room; or

(2) Located within a second locked container which is affixed to the structure.

(b) Ensure that only a veterinarian or a veterinary technician designated by the veterinarian has the keys or combination to unlock the two separate locks at the start of a business day or beginning of a shift, if the veterinary facility has veterinarians on successive shifts.

(c) Restrict access to the controlled substances to veterinarians or veterinary technicians only.

(d) Ensure that each veterinarian or veterinary technician who accesses the secure container which stores controlled substances records in a log:

(1) The name of the veterinarian or veterinary technician who accessed the secure container and the date that he or she accessed the secure container.

(2) The name, strength and quantity of the controlled substance removed from or placed into the secure container and the total amount of all

quantities of that particular controlled substance remaining inside the secure container.

(e) Ensure that a veterinarian who intends to destroy an unused portion of a controlled substance records in a log the name and quantity of the controlled substance that will be destroyed and the date and time that the controlled substance will be destroyed. An entry made pursuant to this paragraph must be verified by an employee of the veterinary facility.

(f) Ensure that the purchasing, storage and recordkeeping of controlled substances comply with all applicable state and federal laws.

(g) Ensure that any controlled substance is purchased by a veterinarian or with the knowledge of a veterinarian and that all controlled substances received by the veterinary facility are verified by a veterinarian or with the knowledge of a veterinarian.

(h) Maintain separate files for the records of the purchase of each controlled substance listed in schedule II of controlled substances in NAC 453.520 and records of the dispensing of each controlled substance listed in schedule II of controlled substances in NAC 453.520.

4. Any record made pursuant to this section must be maintained for at least 4 years and must be available for inspection by the Board or its representative, the State Board of Pharmacy or its representative or any authorized federal, state or local regulatory agency or law enforcement agency.

**NAC 638.0629 Prescription drugs: Requirements for registration; limitations on dispensing; recordkeeping; labeling of vials or containers; maintenance of stock; maintenance and inspection of records.**

1. A veterinary facility that dispenses prescription drugs:

(a) Shall ensure that at least one veterinarian who practices at that veterinary facility registers and maintains a registration with the Drug Enforcement Administration of the United States Department of Justice and the State Board of Pharmacy pursuant to NAC 638.0628.

(b) Except as otherwise provided in paragraph (c), may allow only veterinarians, veterinary technicians or veterinary technicians in training at that veterinary facility to prepare a prescription drug for dispensing.

(c) May allow veterinary assistants at that facility to prepare a prescription drug, other than a controlled substance, for dispensing.

(d) Shall ensure that a prescription drug which is new for an animal is not dispensed unless a veterinarian or veterinary technician is at the veterinary facility or is otherwise available at the time the prescription drug is dispensed.

(e) Shall ensure that a notation is made in the medical record of the animal that contains:

- (1) The name, strength and quantity of the prescription drug.
- (2) The date the prescription drug was prescribed and dispensed.
- (3) The directions for use.

(4) The name, signature or initials of the veterinarian who prescribed the prescription drug.

(5) The name, signature or initials of the veterinarian, veterinary technician or veterinary technician in training who prepared the prescription drug for dispensing.

(6) The name, signature or initials of the veterinarian or veterinary technician who verified the prescription drug before the prescription drug was dispensed.

(f) Shall ensure that each vial or container which contains a prescription drug has affixed to the vial or container a label that contains:

(1) Except as otherwise provided in subsection 2, the name or unique identifier of the animal and the name of the owner of the animal for which the prescription drug is prescribed.

(2) The name, strength and quantity of the prescription drug.

(3) The date the prescription drug was dispensed.

(4) The name of the veterinarian who prescribed the prescription drug.

(5) The expiration date of the prescription drug.

(6) A unique number identifying the prescription.

(7) The directions for use.

(g) Shall maintain a stock of prescription drugs necessary to serve the foreseeable needs of the veterinary practice.

(h) Shall ensure that drugs which are inappropriate or unlawful to the practice of veterinary medicine are not ordered or maintained in the stock of prescription drugs of the veterinary facility.

2. A label affixed to a vial or container that contains a prescription drug may contain a generic identifier for a group of animals of the same species in place of the name or unique identifier of one animal if:

(a) The group of animals identified on the label is owned by the same person;

(b) The prescription drug is dispensed for more than one of the animals in the group; and

(c) The directions for use of the prescription drug are the same for each animal in the group for which the prescription drug is dispensed.

3. The authorization to possess a prescription drug is not transferable upon the sale or other transfer of the animal or animals for which the prescription drug was dispensed.

4. Any record made pursuant to this section must be maintained for at least 4 years and must be available for inspection by the Board or its representative, the State Board of Pharmacy or its representative or any authorized federal, state or local regulatory or law enforcement agency.

**BEFORE THE NEVADA STATE BOARD OF PHARMACY**

<b>NEVADA STATE BOARD OF PHARMACY,</b>	)	<b>CASE NO. 15-042-PH-O</b>
	)	
<b>Petitioner,</b>	)	<b>STATEMENT TO THE</b>
<b>v.</b>	)	<b>RESPONDENT NOTICE</b>
	)	<b>OF INTENDED ACTION</b>
<b>STRATEGIC PHARMACEUTICALS</b>	)	<b>AND ACCUSATION</b>
<b>SOLUTIONS, INC., d/b/a VETSOURCE</b>	)	<b>RIGHT TO HEARING</b>
<b>HOME DELIVERY, Certificate of Registration</b>	)	
<b>No. PH02320,</b>	)	
	/	
<b>Respondent.</b>		

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TO THE RESPONDENT ABOVE-NAMED: PLEASE TAKE NOTICE THAT:

I.

Pursuant to the authority and jurisdiction conferred upon the Nevada State Board of Pharmacy by NRS 639.241 to NRS 639.2576, inclusive, and NRS chapter 233B, a Notice of Intended Action and Accusation has been filed with the Board by the Petitioner, Larry L. Pinson, Executive Secretary for the Board, alleging grounds for imposition of disciplinary action by the Board against you, as is more fully explained and set forth in the Notice of Intended Action and Accusation served herewith and hereby incorporated reference herein.

II.

You have the right to a hearing before the Nevada State Board of Pharmacy to answer the Notice of Intended Action and Accusation and present evidence and argument on all issues involved, either personally or through counsel. It is required that you complete two copies of the Answer and Notice of Defense documents served herewith and file said copies with the Nevada State Board of Pharmacy within fifteen (15) days of receipt of this Statement and Notice, and of the Notice of Intended Action and Accusation served within.


III.

The Board has reserved Wednesday, October 14, 2015, as the date for a hearing on this matter at the Hilton Garden Inn, 7830 S. Las Vegas Blvd., Las Vegas, Nevada. The hour of the hearing will be set by letter to follow.

IV.

Failure to complete and file your Notice of Defense with the Board and thereby request a hearing within the time allowed shall constitute a waiver of your right to a hearing in this matter and give cause for the entering of your default to the Notice of Intended Action and Accusation filed herein, unless the Board, in its sole discretion, elects to grant or hold a hearing nonetheless.

DATED this 18<sup>th</sup> day of September, 2015.

  
\_\_\_\_\_  
L. Pinson, Pharm.D., Executive Secretary of the  
Nevada State Board of Pharmacy

BEFORE THE NEVADA BOARD OF PHARMACY

NEVADA STATE BOARD OF PHARMACY,

CASE NO. 15-042-PH-O

Petitioner

v.

STRATEGIC PHARMACEUTICAL  
SOLUTIONS INC., d/b/a VETSOURCE  
HOME DELIVERY, Certificate of Registration  
No. PH02320,

Respondent

**ANSWER AND NOTICE OF DEFENSE  
TO AMENDED NOTICE OF INTENDED  
ACTION AND ACCUSATION**

Respondent Strategic Pharmaceutical Solutions Inc., d/b/a VetSource Home Delivery ("VetSource<sup>1</sup>"), pursuant to N.R.S. 639.244, hereby responds as follows to the allegations contained in Petitioner's Amended Notice of Intended Action and Accusation ("Amended Accusation").

**A. Statement of Completeness and Clarity**

VetSource has no objection to the Amended Accusation as being incomplete or failing to state clearly the charges against it.

**B. Response to Allegations**

VetSource, in its Answer to the Amended Accusation, admits, denies and alleges as follows:

**I. VETSOURCE'S RESPONSE TO THE BOARD STAFF'S ALLEGATIONS**

I. VetSource admits that at all relevant times, it was an out-of-state pharmacy registered with the Board. VetSource admits that Board has jurisdiction over the First and Third Causes of Action asserted in the Amended Accusation. However, the Nevada Board of

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<sup>1</sup> Hereinafter, all references to "VetSource" refer to VetSource Home Delivery, No. PH02320, the entity charged under the Board of Pharmacy's Accusation.



Veterinary Medicine has exclusive jurisdiction over the Second Cause of Action asserted in the Amended Accusation.

II. VetSource denies that it provides Nevada veterinary facilities unlawful financial benefits and/or other consideration or remuneration for referring or otherwise directing prescriptions to be filled and sold by VetSource to the pet owner. Further answering, VetSource alleges that its model does not allow a “referral” of a prescription. VetSource Home Delivery accepts prescriptions from contracted veterinary hospitals but does not provide any financial benefits for prescriptions sent to VetSource Home Delivery as a referral. VetSource Home Delivery maintains that it does provide pharmacy services to contracted veterinary hospitals at an established fair market value for prescription services under the contract. VetSource does not provide services for non-contracted veterinary hospitals.

III. VetSource admits that it exchanged correspondence with the Board staff. However, VetSource denies that it is or ever has been in violation of N.R.S 639.264 or any other Nevada statute or regulation. VetSource denies all allegations not specifically admitted.

IV. VetSource admits that it engaged in correspondence with the Board Staff on February 27, 2015. Further answering, VetSource states that the February 27, 2015 letter speaks for itself and denies any allegation inconsistent therewith.

V. VetSource admits that it has repeatedly attempted to communicate the lawful nature of its business model with particularity. However, VetSource is without sufficient personal knowledge to admit or deny whether the Board Staff has reviewed the communications with particularity, and thus VetSource denies any allegations therewith.

VI. VetSource admits that its model involves multiple related entities, including VetSource, VetSource Wholesale, and the contracted veterinary hospital, but also the pet owner.

Further answering, VetSource states that the model described is incomplete, and thus VetSource denies any allegations inconsistent therewith. For more information, please refer to VetSource's explanation of its business model below.

VII. VetSource denies the allegations contained in paragraph VII. Further answering, VetSource states that any "referral" referenced by the Board Staff is an attempt to conflate the initiation of a request to render services (which require prescriptive information) as a "referral" of a prescription whereby a pharmacy sells prescriptions directly to an individual. Further answering, VetSource states that there is no requirement for the contracted veterinary hospital to use VetSource, nor is there any requirement for pet owner clients of the contracted veterinary hospital to use VetSource. VetSource functions as a service provider, and referrals are not a component of the service.

VIII. VetSource admits the allegations contained in paragraph VIII.

IX. VetSource denies the allegations contained in paragraph IX. Further answering, VetSource states as follows:

VetSource admits that it packages, labels, prepares for delivery and delivers prescription medication directly to pet owners under the authority of its Nevada pharmacy license. VetSource denies the statement in the paragraph IX that "it professes to do no dispensing." As VetSource stated in its Answer to the original Accusation, VetSource "... provide[s] a service which is the physical dispensing of the drug/product to the veterinarian's pet owner client and thus an 'outsourced pharmacy service.'" (Answer, pg. 3-4). VetSource has always recognized that it performs the physical dispensing of the drug/product pursuant to its license as an out-of-state pharmacy and in full compliance with the applicable Board of Pharmacy and Board of Veterinary Medicine statutes and regulations.

VetSource further denies that under the VetSource model that the Veterinary Customers are “dispensing veterinarians” under any applicable statute or regulation. As described in the Answer,

The veterinarian never takes physical possession of the drug/product. The veterinarian has contracted with VetSource pharmacy to provide a service which is the physical dispensing of the drug/product to the veterinarian’s pet owner client and thus an “outsourced pharmacy service.”

(Answer, p.3-4). In its simplest form, the VetSource model has a prescribing veterinarian and a dispensing pharmacy which dispenses drugs/products which are owned by the veterinarian.

VetSource further denies that the veterinarian does not take “control” of the medication as asserted in paragraph IX. The veterinarian, or the Veterinary Customer, is the owner of (having purchased it via the VetSource wholesale division) and the retail seller of the drug/product to the pet owner. The veterinarian is financially responsible for the retail transaction between the veterinarian and the pet owner in exactly the same manner as if the veterinarian had sold the item from the veterinarian’s “in-house” stock. The veterinarian bears the risks and rewards of ownership, such as the risk of loss, associated with its sale of the item to the pet owner client.

In terms of possession (i.e., physical custody) of the drug/product prescribed, only VetSource (specifically, VetSource Home Delivery) is in possession of the drug/product until the item has been processed through the stringent VetSource pharmacy workflow and is released to a third party carrier to be shipped to the pet owner. As previously stated, VetSource is physically packaging, labeling, and delivering the drug/product to the pet owner as a service for the veterinarian.

It is important to understand that the VetSource model is devoid of any grey market product and is contracted directly with manufacturers or authorized distributors to purchase the products.

Most animal drug manufacturers require that their products are sold to and by the veterinarian.

- Most animal drug manufacturers do not sell these medications directly to pharmacies with the intent for those pharmacies to then sell to the pet owner.
- The majority of the major veterinary pharmaceutical manufacturers do not sell to any pharmacy that sells directly to the pet owner. Thus, these pharmacies are dealing in diverted or grey market products.
- The VetSource business model is recognized as a legitimate platform by manufacturers to ensure the normal chain of distribution is protected.
- VetSource is a pharmacy that possesses the expertise to dispense veterinary medications.
  - Veterinarians recognize that VetSource has a proven track record to ensure safe and efficient dispensing and delivery of medications to their pet owner customers on their behalf.
  - Veterinarians recognize that the VetSource home delivery service far exceeds the standards that they can achieve as individual clinics.
  - VetSource's pharmacists and technicians have specific training and utilize proprietary software programs designed for dispensing to animals, i.e., dosing and drug interactions, and therefore maintain a higher standard than is reasonably achievable for the average community pharmacy or veterinary hospital.

X. VetSource denies the allegations in paragraph X. Further answering, VetSource states that it does employ veterinary technicians who are also licensed as pharmacy technicians and perform a variety of roles in the pharmacy dispensing process. Further answering, VetSource states that it does not directly employ veterinarians in the context of a veterinary practice in order to ensure there is no question regarding compliance with 21 C.F.R. 530.3(i) or any other state law concerning the requirement of a veterinarian client patient relationship ("VCPR"). Further answering, VetSource requires all of its contracted veterinary hospitals and

veterinarians to attest to the VCPR before submitting any prescriptions, in contrast to the business models of other companies have been accused of keeping a licensed prescriber on staff to allow prescribing for pets where no VCPR exists.

XI. VetSource denies the allegations contained in paragraph XI. Further answering, VetSource states:

The statement "to collect as profit for directing prescriptions to VetSource" is factually incorrect and incongruous with the service provided to veterinarians by VetSource. Fundamentally, what is stated is not possible, as the veterinarian is, factually, the retail sales agent. This revenue methodology meets threshold criteria for the reporting of revenue gross as a principle outlined in the EITF abstracts (Issue no. 99-19) promulgated by The Financial Accounting Standards Boards ("FASB") and meets criteria as a generally accepted accounting principle ("GAAP"). Referrals are not part of the VetSource model. Veterinarians have contracted with VetSource to provide home delivery services for any pet owner clients that choose to have home delivery of pet products purchased directly from their veterinarian.

As stated above, the retail price of the prescription drug is determined by the veterinarian who sells the prescription drug. VetSource collects taxes on behalf of the veterinarian that are collected consistent with the locality of the contracted veterinary hospital according to the Nevada State tax code. VetSource offers e-merchant account provisioning for contracted veterinarians, so funds for all transactions for said veterinarians are transacted via this account. The procedure referred to in paragraph XI is standard process for merchant account providers. Veterinarians are contractually obligated to pay VetSource for all services rendered and pay fair market value for these services. The funds available (in the merchant account, if any) to the

seller of the medication are the property of the seller and are accessible upon completion of the transaction.

XII. VetSource denies the allegation contained in paragraph XII.

XIII. VetSource denies the allegation contained in paragraph XIII.

XIV. VetSource admits the Board Staff issued a letter to VetSource on May 29, 2015.

Further answering, VetSource states the May 29, 2015 letter speaks for itself, and denies any allegations inconsistent therewith.

XV. VetSource admits it did not comply with the Board Staff's May 29, 2015 letter for the justifiable reasons set forth herein. Further answering, VetSource states it is and always has been in full compliance with the laws and regulations of the State of Nevada.

## **II. VETSOURCE'S FURTHER ALLEGATIONS**

### **A. Procedural History**

1. VetSource is a company that specializes in providing services for veterinary hospitals, including home delivery pharmacy services for shipment of products directly to pet owners on behalf of veterinarians through VetSource Home Delivery, software services, and other business solutions for veterinary hospitals. VetSource Home Delivery provides the contracted services at issue in this Accusation.

2. VetSource has maintained retail (License No. PH02320) licenses in Nevada since 2007. (See **Exhibit A**, License Verification). This license is current and in active status.

3. By telephone conference on February 5, 2015, Dave Wuest, Deputy Executive Secretary of the Nevada State Board of Pharmacy, contacted VetSource's pharmacy manager, Laura Hysen, inquiring about the VetSource business model, specifically as to how the company interacted with veterinarians, veterinary hospitals and Nevada pet owners. During that conversation, after a very brief explanation of the VetSource model, Mr. Wuest communicated to

Ms. Hysen that he was certain the VetSource model was in violation of NRS 639.264 and that “we [the Nevada Board of Pharmacy] will win if your legal team wishes to fight our position.” Dr. Wuest’s statement of VetSource’s guilt was made before any materials factually documenting the legitimate service provided by VetSource were provided or reviewed. VetSource believes this statement and its timing demonstrates the Board Staff’s unwillingness to further consider the particulars of the VetSource business model, and its potential disregard of VetSource’s right to due process. Ms. Hysen and Dr. Wuest agreed to arrange a conference with counsel for both VetSource and the Board.

4. By telephone conference on February 9, 2015, Kevin Burr, counsel for VetSource, and Paul Edwards, counsel for the Board, discussed issues related to VetSource’s business model. Mr. Edwards noted that he was inclined to issue VetSource a “cease and desist” letter. Mr. Burr requested the opportunity to submit a detailed explanation of the business model, and Mr. Edwards agreed.

5. Mr. Burr submitted a detailed explanation of VetSource’s business model to Mr. Edwards and Dr. Wuest by letter dated February 9, 2015. (*See Exhibit B*, VetSource’s February 9, 2015 letter to Mr. Edwards and Dr. Wuest).

6. After receiving Mr. Burr’s explanatory letter and exhibits, Nevada officials did not call VetSource’s counsel to discuss the substance of the letter or ask questions about VetSource’s submission, nor did they ever raise questions about whether VetSource improperly “dispenses” prescription drugs.

7. On February 27, 2015, in response to VetSource’s February 9, 2015 letter, the Office of General Counsel of the Nevada Board of Pharmacy (“Board Staff”) issued a letter stating “Strategic Pharmaceutical Solutions Inc. and/or VetSource must discontinue their

'outsourced hospital pharmacy service' immediately.'" (See **Exhibit C**, Cease and Desist Letter). The Board Staff alleged violations of NRS 639.23505, NRS 639.264, NAC 638.0628, NAC 638.0629, NAC 639.742, and NAC 639.743, discussed in further detail below.

8. The February 27, 2015 letter prompted VetSource to submit a Petition for Declaratory Order or Advisory Opinion ("Petition"), dated March 12, 2015 (See **Exhibit D**, Petition), in order to provide a reasoned and detailed explanation as to how it is not in violation of NRS 639.264, and to allow the full Board to consider the issue. In correspondence sent the same day, VetSource continued to request further review and interpretation from the Board regarding its model, prior to being required to discontinue its business in Nevada. (See **Exhibit E**, E-mail correspondence to Board Attaching Petition).

9. The same day (March 12, 2015), Mr. Edwards contacted counsel for VetSource by telephone to inform him that, despite the clear language in the February 27, 2015 letter, the Board Staff did not intend the letter to be a Cease and Desist Letter.

10. The filing of the Petition and the misunderstanding with the Board Staff prompted the Board Staff to schedule informal meetings with VetSource which took place on April 30, 2015. Board counsel, VetSource counsel and representatives, the Director of the Veterinary Medical Examiner's Board, and the Veterinary Board counsel were in attendance at the meeting.

11. Due to understandings gained during the meeting on April 30, 2015, VetSource requested to hold the Petition in abeyance until May 12, 2015. (See **Exhibit F**, Request to hold in Abeyance). It was suggested during the April 30, 2015 meeting that VetSource attend the July meetings of both the Nevada Board of Pharmacy and the Nevada State Board of Veterinary Medical Examiners. This approach would have afforded the opportunity for VetSource to



provide additional evidence that it is fully compliant with Nevada law; as such, VetSource had already initiated contact with the Boards to arrange to appear at the July meetings.

12. Despite the apparent understandings that were reached in the April 30 meetings, on May 29, 2015, the Board Staff issued a Cease and Desist Letter. (**Exhibit G**, Cease and Desist Letter).

13. VetSource responded to the Cease and Desist Letter on June 8, 2015 by once again assuring the Board Staff that its model and its practices were in full compliance of Nevada law. (See **Exhibit H**, VetSource Response to Cease and Desist Letter).

14. Thereafter, on or about June 18, 2015, the Board Staff filed the original Accusation and Notice of Intended Action. (**Exhibit I**, Accusation). In the Accusation the Board Staff asserted two causes of action against VetSource – violation of the Nevada Anti-Kickback Statute and unprofessional conduct for failing to comply with the Board Staff's March 29, 2015 cease and desist order.

15. On July 7, 2015, VetSource submitted its Answer and Notice of Defense to the Board Staff's original Accusation wherein it responded to the Accusation and explained how its model and practices were in full compliance of Nevada law.

16. On September 18, 2015, the Board Staff filed the Amended Accusation in which it alleged VetSource was guilty of aiding, assisting or abetting veterinarians and veterinary facilities in violations of the veterinary regulations of the Nevada Administrative Code, 638.0628 and 638.0629, and therefore was subject to discipline pursuant to NRS 639.210(4) and (12) and/or NRS 639.255. (**Exhibit J**, Amended Accusation). The Board Staff's addition of the Second Cause of Action in the Amended Accusation significantly expanded the scope of the claims asserted against VetSource.

**B. The VetSource Business Model**

17. The VetSource business model and relationship with veterinarians have been reviewed in detail by various state boards of pharmacy, and expert legal counsel for these boards, trade and professional associations, and regulatory agencies. These entities have specifically examined issues related to kickbacks, rebates, and fee-splitting on a state-by-state basis. None of those reviewing agencies concluded VetSource's model violated such laws.

18. VetSource Home Delivery is licensed and in good standing in all required states and purchases all of its veterinary pharmaceutical products directly from leading animal health manufacturers and distributors.

19. VetSource's primary business is as an outsourced pharmacy services provider for contracted veterinary hospitals that have contracted with VetSource for such services at fair market value for these services. (See **Exhibit K**, Hospital Services Agreement).

20. The transactional flow of the process is summarized below:

- The pet owner requests the medication to be filled and delivered to home.
- The veterinarian initiates the outsourced service request by submission of an authorized prescription.
- The veterinarian purchases the medication from VetSource Wholesale and takes title to the medication. This purchase is evidenced by a charge to the veterinarian's e-Merchant account by VetSource at the wholesale price and the collection of state wholesale taxes when applicable.
- The veterinarian does not take physical possession of the medication because VetSource Home Delivery is physically dispensing the medication directly to the pet owner and functions as the veterinarian's home delivery service.
- VetSource Home Delivery process then ships the pet medication to the pet owner.
- The pet owner is charged a total sum of the transaction, including the retail price of the product (which is set individually by each veterinarian), applicable shipping charges and retail taxes. This sum is collected from the pet owner via credit card and deposited into the veterinarian's e-Merchant account.

- The veterinarian pays VetSource for the services provided, including the pharmacy processing and delivery fees via a charge by VetSource to the veterinarian's E-Merchant account.
- The remainder of the funds left in the veterinarian's account represents the retail taxes due to the state of Nevada and the Veterinarian's Margin which is property of the veterinarian.
- A detailed retail sales tax report is provided to the veterinarian so that retail sales can be properly reported to the state.

Contracted veterinary hospitals are fully aware of this transactional flow, as these details are contained in the Hospital Services Agreement.

21. In more detail, upon receiving a request from a contracted veterinary hospital to process a transaction, VetSource Wholesale (a separate but related division of VetSource) sells the product, wholesale, to the contracted veterinary hospital under Nevada Board of Pharmacy Wholesale License Number WH01459 or WH01461. The contracted veterinary hospital takes title to the drug, but not physical possession.

22. Second, the contracted veterinary hospital then sells the product to the pet owner at a retail price set by the Veterinary Customer. The product is then consigned by the contracted veterinary hospital to VetSource Home Delivery for processing under Nevada Board of Pharmacy License Number PH02320.

23. At the direction of the contracted veterinary hospital,<sup>2</sup> VetSource Home Delivery then mails the prescription to the pet owner directly. This results in a more efficient process, reduced costs to the pet owner and greater speed in delivering prescriptions to the pet owner. This process bypasses the unnecessary time and expense associated with VetSource mailing the filled prescription to the contracted veterinary hospital for ultimate dispensing to the pet owner.

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<sup>2</sup> VetSource contracted veterinary hospitals are all licensed to dispense prescription medications.

However, at all times, VetSource provides a dispensing service upon the request of the contracted veterinary hospital, pursuant to applicable pharmacy statutes and regulations.

24. Each step in the process is recorded in the contracted veterinary hospital's e-Merchant account as described above.

25. In the event a contracted veterinary hospital makes a mistake in its wholesale request to VetSource Wholesale, or for any other reason needs to refund the pet owner the retail price of the prescription, the contracted veterinary hospital must still pay VetSource Wholesale and VetSource Home Delivery for their services, as the contracted veterinary hospital bears the risk of financial loss. VetSource can demonstrate instances where this has occurred in Nevada.

26. Furthermore, the contracted veterinary hospital may choose to charge the pet owner less than the cost of VetSource's services and take a loss on the transaction. VetSource can demonstrate instances where this has occurred in Nevada.

27. This service methodology and revenue recognition by the veterinary hospital meets threshold criteria for the reporting of revenue gross as a principle outlined in the EITF Abstracts (Issue No. 99-19) promulgated by the Financial Accounting Standards Board ("FASB") and thus meets criteria as a generally accepted accounting principle ("GAAP") as reviewed and confirmed during VetSource's three financial audits by national accounting firms. **See Exhibit L.**

28. VetSource's contracts with contracted veterinary hospitals indicate that the contracted veterinary hospital is responsible for setting the retail prices of prescriptions as well as other factors that establish that the financial transactions are sales between a contracted veterinary hospital and its pet owner clients, with VetSource acting as a service provider and receiving a fee for the services provided.

29. No veterinarians or contracted veterinary hospitals are required to use VetSource to fill their prescriptions. Those who do use VetSource as their outsourced pharmacy service provider pay fair market value for those services, just as they would for any third-party fill service, delivery service, and collection service.

30. As the case with in-hospital prescription transactions, contracted veterinary hospitals have complete freedom to determine their pricing for their pet owner clients. Contracted veterinary hospitals are not paid by VetSource but rather *pay VetSource* for services provided as detailed above. As is the case with other wholesale sellers of medications to veterinarians, contracted veterinary hospitals are not entitled to, and VetSource makes no guarantee regarding, any predetermined revenues from selling prescriptions to their pet owners. The contracted veterinary hospital determines its margin based upon the retail price determined by the contracted veterinary hospital. Neither VetSource nor the contracted veterinary hospital receives any monetary compensation related to the prescribing process (i.e., the transfer of a prescription or the solicitation of pet owner clients). The business transactions between the contracted veterinary hospital and VetSource do not involve proceeds being shared with the prescribing veterinarian. As previously described in VetSource's February 9, 2015 submission, no kickbacks, rebates, bonuses, or similar financial compensation is offered or paid to those veterinarians or contracted veterinary hospitals that use VetSource's services. *See Exhibit B.*

### **III. LEGAL ANALYSIS – FIRST AND THIRD CAUSES OF ACTION**

The Board Staff claims that VetSource is in violation of NRS 639.264, the Nevada Anti-Kickback Statute. The Board Staff alleges that as a dispensing practitioner, VetSource is "incentivizing veterinary facilities and prescribers to refer or otherwise direct prescriptions to it for filling by offering, delivering, and/or paying an unearned financial benefit or other consideration as compensation or inducement to refer said prescriptions patients and/or clients."

The crux of the Board Staff's interpretation is that VetSource pays its contracted veterinary hospital an unearned benefit. However, as described above, *VetSource does not pay its contracted veterinary hospitals anything*, and thus it is impossible for VetSource to be in violation of N.R.S. 639.264.

**A. VetSource's Business Model Complies With Nevada Statutes and Regulations Related to Kickbacks.**

The Board Staff argues that “[b]y offering, delivering and/or paying financial benefits and other consideration to veterinary facilities and prescribers for referring patients, clients and/or customers to it, VetSource has violated and continues to violate, NRS 639.264” (**Exhibit J**, p. 5). The Board Staff is incorrect, and directly contradicted by undisputed evidence. NRS 639.264 states in relevant part:

No registered pharmacist, or owner of any pharmacy licensed under the provisions of this chapter may offer, deliver or pay any unearned rebate, refund, commission, preference, patronage dividend, discount or other unearned consideration to any person, whether in the form of money or otherwise, as compensation or inducement to such person for referring prescriptions, patients, clients or customers to such pharmacist or pharmacy[.]

NRS 639.264.

A violation occurs under NRS 639.264 as follows: A licensed entity offers, or actually pays unearned compensation to another entity as compensation for referring prescriptions, clients, or customers to such licensed entity. The violation requires “unearned compensation” (otherwise known as rebate, refund, commission, preference, patronage, dividend, or discount). A violation also requires *referrals* of prescriptions, clients, or customers to the licensed entity.

As an initial matter, VetSource does not pay any unearned consideration to any veterinarian or contracted veterinary hospital. See **Exhibit B**. As described above, VetSource enters into a contract with its contracted veterinary hospitals for the fair market value of its services. No veterinarian is required to use VetSource to fill its prescriptions. A veterinarian

may choose to offer product from their in-clinic stock, have the product home delivered, or issue a written prescription to the pet owner to fill elsewhere as dictated by the choice of the pet owner. *VetSource does not pay its contracted veterinary hospitals; rather, its contracted veterinary hospitals pay VetSource.*

The Board Staff alleges that “[a]ny monies that VetSource deposits in a veterinary facility’s e-Merchant account, and leaves in the account for the veterinary facility to collect as profit, constitute an unearned rebate refund, commission, preference, patronage dividend, discount or other unearned consideration” (Exhibit J, p.5). This interpretation completely ignores the realities of modern computer-based sales, and the actual accounting mechanism utilized by VetSource. VetSource never collects any more than the wholesale, fair market cost of the drugs to be sent to the pet owner, plus a service fee based on the fair market value of the services. The contracted veterinary hospital never collects more than the profit it would have collected by buying a drug at a wholesale price and selling the drug at a retail price. The pet owner is never charged more than a retail price, set by the contracted veterinary hospital.

Nor does any contracted veterinary hospital refer any prescription, patient, client or customer to VetSource. Rather, VetSource engages in contractual relationships with its contracted veterinary hospitals. These contractual relationships are for the fair market value of the services VetSource provides to the contracted veterinary hospital in the same way an outsourced or reference laboratory would charge a contracted veterinary hospital a fee for its services. Even while engaged in its contractual relationship, the contracted veterinary hospital is not required to use VetSource’s services. The contracted veterinary hospital is free to purchase pharmaceuticals from any source it wishes and sell them to its pet owners. However, while engaged in the contractual relationship, the contracted veterinary hospital may choose to use

VetSource because of the convenience and scope of its services. Veterinarians cite these reasons as the most common reasons to use VetSource:

- The use of VetSource Home delivery services obviates the need to maintain a broad and costly stock of pharmaceuticals.
- Compliance packaging offerings assist pet owners with reminder systems that ensure adherence to prescribed regimens of monthly preventative medications (e.g., heartworm prevention products)
- VetSource pharmacists possess the necessary expertise and training to work with veterinarians and their pet owner clients. VetSource pharmacists provide an additional layer of professional pharmacy support to the veterinarians and their pet owners not historically available to veterinarians. VetSource Home Delivery pharmacy is an exceptionally safe and reliable service with a very low rate of error.
- All products are purchased directly from authorized manufacturers and licensed/legitimate distributors. VetSource guarantees there are no grey market products being purchased, sold, or dispensed.
- Veterinarians may utilize VetSource's proprietary software tools to select which products to sell to their pet owner clients.
- Providing more competitive and convenient options to pet owners to help them easily and safely care for their pets through services like home delivery would be prohibitively expensive and too burdensome for a veterinary hospital to implement on its own. This technological and logistical burden is analogous to a veterinarian conducting all laboratory tests in-house which is too costly and burdensome for veterinarians to do completely on their own.



The fact that a contracted veterinary hospital chooses to use a service does not mean the contracted veterinary hospital refers prescriptions to VetSource. This interpretation would mean that any time a contracted veterinary hospital *chose* to use a pharmacy's services, it was referring prescriptions to the pharmacy. As such, any such interpretation would be illogical and untenable.

Neither VetSource nor the contracted veterinary hospital receives any monetary compensation related to the prescribing process, and the business transactions between the contracted veterinary hospital and VetSource do not involve proceeds being shared with the prescribing veterinarian. No kickbacks, rebates or bonuses are offered to those veterinarians who do use VetSource's services. The Board Staff's Accusation provides no factual basis for its conclusions regarding the purpose or effect of VetSource's business model.

1. *Nevada Already Approves of Similar Models in Other Contexts*

By way of analogy, contracted veterinary hospitals often use contracted outsourced reference laboratory services (e.g., blood panels, fecal panels, etc.) and subsequently charge pet owners for these tests. In these situations, the contracted veterinary hospital contracts with a laboratory to perform certain laboratory services. The laboratory charges the contracted veterinary hospital a "wholesale" price for the cost of performing the laboratory services. The contracted veterinary hospital then charges the pet owner a retail price for these laboratory services and keeps the difference between the "wholesale" cost and the retail cost as profit.

Arguably, in a more relevant analogy, some Nevada oncology physicians and infusion centers may operate on a similar model to VetSource. The "buy-bill" method of purchasing oncology drugs by physicians parallels the business model of VetSource. The physician buys the drug from a specialty pharmacy, without taking physical possession of the drug, to be ultimately

delivered or administered by a third party to the patient on their behalf.

**2. *Other States Have Already Determined VetSource Is in Compliance With Its Anti-KickBack Statutes***

VetSource has fielded similar anti-kickback complaints from state boards of pharmacy in eight other states, including California, Iowa, Michigan, Minnesota, Oregon, Texas, Virginia and Wisconsin. Those boards of pharmacy have closed their investigations and found no violations of their respective anti-kickback laws. While the statutory and regulatory language of these states are not exactly the same, they are substantially similar and seek to prevent kickbacks. *See, e.g.,* Colorado Board of Pharmacy Rule 1.00.17 ; Texas Board Rule 573.37; Cal. Bus. Prof. Code § 650; Minn. R. 6800.2250, subp. 1(D).

Specifically, the California anti-kickback statute is almost identical to the Nevada anti-kickback statute, and the California Board of Pharmacy has found VetSource's business model to be in compliance with that law.

<b>Nevada Anti-Kickback Law</b>	<b>California Anti-Kickback Law</b>
No registered pharmacist, or owner of any pharmacy licensed under the provisions of this chapter, may	(a) Except as provided in Chapter 2.3 (commencing with Section 1400) of Division 2 of the Health and Safety Code,
offer, deliver or pay any	the offer, delivery, receipt, or acceptance by any person licensed under this division or the Chiropractic Initiative Act of any
unearned rebate, refund, commission, preference, patronage dividend, discount or other unearned consideration to any person,	rebate, refund, commission, preference, patronage dividend, discount, or other consideration,
whether in the form of money or otherwise,	whether in the form of money or otherwise,
as compensation or inducement to such person	as compensation or inducement
for referring prescriptions, patients, clients or customers to such pharmacist or pharmacy,	for referring patients, clients, or customers to any person,
irrespective of any membership, proprietary	irrespective of any membership, proprietary

interest or co-ownership in or with any person by whom such prescriptions, patients, clients or customers are referred.	interest, or co-ownership in or with any person to whom these patients, clients, or customers are referred is unlawful.
N.R.S. 639.264	Cal. Bus. & Prof. Code § 650

While it is possible for different states to come to different conclusions regarding the interpretation of their own statutes, what is impossible is that the California Board of Pharmacy's interpretation of such a similar statute be given no weight in this matter. As such, the Board should find that VetSource is in full compliance with N.R.S. 639.264.

3. ***VetSource's Business Model Promotes Positive and Ethical Professional Associations***

Finally, the VetSource's "outsourced hospital pharmacy service" business model promotes positive professional associations. Pharmacists employed by VetSource are specifically trained to handle and dispense controlled substances and dangerous drugs, as opposed to veterinarians who may not have specific training as to the storage, preparation, labeling and delivery of pharmaceuticals. By allowing VetSource to fill prescriptions in the manner described in the "outsourced hospital pharmacy service" business model, the Board would be in a better position to regulate the proper distribution of pharmaceuticals and the practices of Nevada licensed pharmacists and pharmacies. This practice is safer for pet owners and protects the public interest by having pharmacists who specialize in reviewing, labeling, packaging, and verifying veterinary drugs actually be the licensed entities that deliver drugs to the pet owner.

B. **VetSource's Full Compliance With Nevada law Makes the Board Staff's Third Cause of Action Moot**

As described above, VetSource cooperated fully with the Board Staff to educate and reach some agreement regarding VetSource's lawful business model. As VetSource is in full

compliance of the law, VetSource did not need to comply with the Board Staff's Cease and Desist Order.<sup>3</sup>

In the alternative, VetSource requests the Board take disciplinary action from the date of the hearing, and not from the date of the Cease and Desist Order, as VetSource has cooperated fully in attempting to resolve these issues.

#### **IV. LEGAL ANALYSIS – SECOND CAUSE OF ACTION**

The Board Staff accuses VetSource of the alleged unprofessional conduct of aiding, assisting or abetting veterinarians and veterinary facilities in unlawful activities because it “prepar[ed] for dispensing and actually dispens[ed] dangerous drugs and/or controlled substances that belong to a veterinary facility . . . from an off-site location that is not at that veterinarian’s veterinary facility, and where no veterinarian, veterinary technician or veterinary technician in training or other dispensing practitioner is (1) present, (2) has physical possession of the medication, (3) prepares the medication for dispensing, (4) dispenses the medication personally to the patient at the practitioner’s facility, (5) physically secures the medication, and/or (6) verifies the medication ordered and received by VetSource” (**Exhibit J**, p. 5-6) Respectfully, the Board Staff is incorrect.

As explained in VetSource’s original Answer and herein, VetSource provides the physical dispensing of the drug/product to the veterinarian’s pct owner clients. VetSource is contracted with the veterinarian to provide these services and does so in full compliance with NAC 639.742 et seq. Each of the veterinarians who have contracted with VetSource have a registration with the DEA and the Board of Pharmacy and also therefore fully comply with NAC 638.0628 as the prescriber of the drug.

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<sup>3</sup> The May 29, 2015 Cease and Desist Order was an action taken by the Board Staff and not by the full Board. Therefore, it did not comply with due process and should not be considered when determining discipline in this matter.

Moreover, VetSource and each of its Veterinary Customers have valid licenses from the Nevada Board of Pharmacy and Nevada Board of Veterinary Medical Examiners respectively to dispense dangerous drugs and/or controlled substances. Yet the Board Staff has concluded that a Veterinary Customer with its own license to dispense dangerous drugs and/or controlled substances cannot contract with VetSource, which has its own license to dispense, to dispense validly prescribed drugs to the Veterinary Customer's pet owners. The Board Staff's conclusion is not supported by the language of the regulations.

Additionally, the Nevada Board of Veterinary Medical Examiners has not published any opinions or determinations which indicate that it has found either Nevada veterinarians or VetSource Home Delivery to be guilty of any violations of the NAC 638 or NRS 638, including NAC 638.0628 and NAC 638.0629. Nevada Board Staff have incorrectly interpreted these rules and have arbitrarily assigned guilt to the absence of a determination by the Board of Veterinary Medical Examiners.

#### **IV. CONCLUSION**

Therefore, VetSource respectfully requests the Board dismiss the Accusation and declare VetSource's business model compliant under Nevada pharmacy statutes and regulations.

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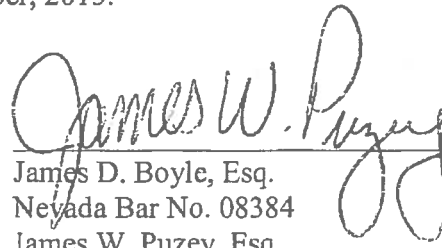
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Respectfully submitted this 6<sup>th</sup> day of October, 2015.



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*Attorneys for Respondents Strategic  
Pharmaceutical Solutions, Inc. d/b/a  
VetSource Home Delivery*

**EXHIBIT A**

**EXHIBIT A**

License Details

Name: VETSOURCE HOME DELIVERY  
License Type: PH  
License Status: Active License  
Expiration Date: 10/31/2016  
Effective Rank Date: 12/06/2007  
Disciplinary Status: None

Main Address

Address: 17014 NE SANDY BLVD  
PORTLAND, OR  
97230  
Phone Number: (877) 738-4443  
E-mail Address: lhysen@vetsource.com



**EXHIBIT B**

**EXHIBIT B**

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February 9, 2015

Dave Wuest  
Deputy Executive Secretary  
Nevada Board of Pharmacy  
431 W. Plumb Lane  
Reno, NV 89509

Paul Edwards  
General Counsel  
Nevada Board of Pharmacy  
431 W. Plumb Lane  
Reno, NV 89509

Dear Mr. Wuest and Mr. Edwards,

I am writing in response to your recent inquiry and our discussion about the business model of my client, Strategic Pharmaceutical Solutions, Inc. ("VetSource"). My client and I would like to provide more detail about the VetSource business model as it relates to the services provided to veterinarians and their compliance with state law, including, without limitation, NRS 639.264 and 638.1404 and the respective provisions of the NAC applicable to these statutes including, but not limited to, NAC 639.8941 and 638.0629.

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### Section I. Business Model

VetSource is a company that specializes in providing services for veterinary hospitals including but not limited to, wholesale distribution directly to veterinarians and their hospitals for in-clinic use and sales, Home Delivery Pharmacy services for shipment of products directly to pet owners on behalf of veterinarians, software services, and other business solutions for veterinary hospitals.

VetSource wholesale and pharmacy divisions are licensed and in good standing in all required states and purchase all of their veterinary pharmaceutical products directly from the leading animal health manufacturers and distributors. VetSource Home Delivery is an NABP Vet-VIPPS accredited pharmacy and the VetSource Wholesale division is a VAWD accredited entity. The business model and relationship with veterinarians have been reviewed in detail by NABP, various State Boards of Pharmacy, and by expert legal counsel for these boards, trade and professional associations and regulatory agencies all of whom have specifically examined issues related to kickbacks, rebates, and fee-splitting on a state-by-state basis.

Enclosed you will find a document prepared by VetSource entitled the "VetSource Business Model Overview" that further supports this discussion. We have summarized key points below, but please refer to the Business Model Overview for full details.

**Financial relationship between VetSource and Veterinarians (Refer to Section II D of the "VetSource Business Model Overview" document for more details on financial transactions):**

- The financial transactions are sales between a formally contracted veterinary hospital and its pet owner clients with VetSource acting as a service provider.
  - The hospital purchases the medication from the VetSource wholesale division, takes title to but not possession of the drug, and then sells the product to the pet owner. VetSource Pharmacy fills and ships the product on behalf of the veterinarian.
  - The veterinarian pays VetSource for the dispensing services provided.
  - Veterinary hospitals are responsible for financial risk associated with the sale to their pet owner client e.g., pet owners seeking a refund on their order are refunded by the hospital, not by VetSource.
- Veterinarians are NOT required to use VetSource for prescription services and only formally contracted hospitals may engage VetSource to provide these services.
  - Hospitals that do use VetSource as their outsourced pharmacy and delivery service pay fair market value for those services.
  - Hospitals determine scope of the products/services, and also determine the pricing for those products that are offered to their clients through VetSource.
- The business transactions between the contracted veterinary hospital and VetSource do not involve proceeds being shared with the prescribing veterinarian. No kickbacks, rebates or bonuses, guarantee of revenue, or inducements are offered to veterinarians to use VetSource services.

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- This service methodology and the revenue recognition by the veterinary hospital meets threshold criteria for the reporting of revenue gross as a principal outlined in the EITF Abstracts (Issue No. 99-19) promulgated by The Financial Accounting Standards Board (FASB) and thus meets criteria as a generally accepted accounting principle (GAAP).
- The VetSource service model has been legitimized by auditors and legal counsel whereby the sale of the pharmaceutical item occurs between the veterinarian and the pet owner.

### Section II. Compliance with Nevada statute 639.264 and General Discussion

#### Under NRS 639.264:

"No registered pharmacist, or owner of any pharmacy licensed under the provisions of this chapter, may offer, deliver or pay any unearned rebate, refund, commission, preference, patronage dividend, discount or other unearned consideration to any person, whether in the form of money or otherwise, as compensation or inducement to such person for referring prescriptions, patients, clients or customers to such pharmacist or pharmacy, irrespective of any membership, proprietary interest or co-ownership in or with any person by whom such prescriptions, patients, clients or customers are referred."

VetSource is compliant with this statute. VetSource does not offer deliver or pay rebates, refunds, commissions, dividends or discounts to veterinarians or any other person including the veterinarian's pet owner clients. VetSource provides a service for direct delivery of pet medications in which participation is optional to both the veterinarian and the pet owner client. If the pet owner client requests or the veterinarian offers and the pet owner client accepts, this service allows the pet owner client to receive medications from the veterinarian via the mail service from VetSource. In exactly the same manner as medications may be sold from the veterinarian's "in-house" stock, the veterinarian decides what to charge for that medication and decides what margin, if any, will be included in that charge. The veterinarian only pays VetSource for the costs associated with the services provided - a cost that is based on the fair market value of the service provided and is not based, in any way, on the value or volume of the business with the veterinarian.

We believe that the VetSource business model is very clear and, in no way, is in violation of Nevada law. As a follow-up to your statement from our conversation, we were also unable to find any Nevada law or regulation that would prohibit a veterinarian from including a margin (i.e., a "profit") on their sale of medications or, for that matter, any service or product that they provide. The veterinarians own the medications, products and services that they sell and when they sell a medication product to their pet owner clients with VetSource providing a service, Nevada law does not prohibit a veterinarian from charging for the cost of that service. Just like any other outsourced healthcare service, veterinarians choose to use (and offer to their customers) VetSource to provide necessary services that are necessary, safe and convenient for the veterinarian's pet owner clients. VetSource does not compensate the veterinarian for their use of the service nor is there any offer by VetSource for veterinarians to receive compensation.

Nor do referrals exist in the VetSource model. Quite simply, referrals do not fit within a service provider paradigm. Both the veterinarian and the pet owner have freedom of choice to use

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whichever pharmacy they wish to fill the pet's prescription. In many, if not most, situations, pet owner clients simply let the veterinarian fill and dispense the prescription. The VetSource service allows the veterinarian to offer the same home delivery service, at the request of and with permission from the pet owner client, that the pet owner client would likely be offered if they had elected to have their pet prescription filled at a local retail pharmacy. The following

statements are published on the VetSource managed Home Delivery page for the benefit of pet owners:

*VetSource will deliver your order on behalf of your hospital to your home.*

*Your credit card statement will reflect a charge by VetSource for your purchases.*

*VetSource Home Delivery provides pharmacy services for your veterinarian.*

*You may purchase prescriptions and refills from the pharmacy of your choice.*

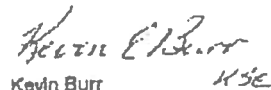
Furthermore, VetSource does not provide an inducement or incentive for veterinary clinics and veterinarians. Veterinarians contract with VetSource to provide necessary services. All services, including proprietary software, require a fee for the service provided.

Veterinary clinics have the choice of what scope of services they wish to purchase and utilize with VetSource. The main reasons that veterinary clinics use VetSource are to handle the logistics associated with meeting client demand of having items shipped to home and to broaden the scope of the product lines that they can offer their clients without having to incur additional inventory costs. Also, by contracting with a specialized veterinary pharmacy that has direct contracts with animal health manufacturers, VetSource can guarantee veterinarians that there are no grey market products being dispensed or distributed. This is in stark contrast to the practices of many of VetSource's competitors. In fact, the VetSource business model is recognized as the only legitimate platform by manufacturers to ensure all product remains in the normal channel of distribution at all times.

Veterinarians also highly regard VetSource because their pharmacy team possesses the expertise to support their clinical practice and properly dispense veterinary pharmaceuticals and drug information for their patients. The VetSource model has contributed significantly to pet owner medication compliance, increased dispensing safety for pets, and has improved the professional relationship between veterinarians and pharmacists.

We would like to thank you again for your time in reviewing this response. We are hopeful that the content submitted will provide the Board with sufficient details to understand the VetSource model. Please do not hesitate to contact me at 402-346-6000 (my direct line is 402-231-8829) or Laura Hyson, the VetSource pharmacy director, directly at 877-660-6337 ext. 7427.

Sincerely,



Kevin Burr  
Kutak Rock, LLP

KUTAK ROCK LLP

Laura Bateman Hysan, RPH  
Pharmacy Director and Pharmacist In Charge  
VetSource Home Delivery Pharmacy

Enclosure  
VetSource Business Model Overview



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**Business Model Overview**

VetSource acts as an outsourced hospital pharmacy service provider for our contracted veterinary hospitals. This means that VetSource fills prescriptions on behalf of contracted veterinary hospitals for their pet owner clients. These hospitals undergo a formal contracting and training process with VetSource. VetSource does not employ or contract with any veterinarians to provide medical evaluations, consultations or accept referrals for pet patients/pet owners. We do not pay referrals or kickbacks of any kind to prescribers. The pet owner has complete freedom of choice as to where they would like to have their prescription filled and the veterinarian is equally free to determine what services they offer, if any, to their clients.

We have outlined the various constituents in our business in Section I, provided details on our relationship with these entities as well as detail of the financial transactions in Section II, and addressed the pet owners' freedom of choice in Section III.

**I. Roles and Responsibilities**

**A. VetSource Home Delivery**

**1. Role:**

- a. Vet-VIPPS certified pharmacy
- b. Pharmacy licensed in required states
- c. Home Delivery service provider

**2. Responsibilities:**

- a. Medication sourcing and purchasing from manufacturers and authorized distributors (no grey market product)
- b. Facilitating pet owner drug order requests to the pet owner's local veterinarian
- c. Receiving a prescription drug order from the veterinarian that has a valid veterinarian-client-patient relationship with the pet owner and pet
- d. Medication fulfillment (including full drug utilization review) of prescription drug order provided directly from veterinarian that has a valid veterinarian-client-patient relationship with the pet owner and pet

**B. Veterinarian**

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1. Role:
  - a. Licensed practitioner of veterinary medicine
2. Responsibilities:
  - a. Reviews pet owner request for a prescription drug order
  - b. Validates a veterinarian-client-patient relationship
  - c. Approves or denies prescription drug order request if appropriate, for their client

**C. Pet Owner**

1. Role:
  - a. Pet owner elects to have a prescription drug order for their pet fulfilled through their veterinarian, and has a current relationship with a veterinarian
2. Responsibilities:
  - a. Aware of requirement for their veterinarian to provide a prescription drug order to the filling pharmacy of their choice
  - b. Administer medications per veterinarian's directions

**II. The Relationship between VetSource and the Veterinarian**

VetSource acts as an outsourced hospital pharmacy service provider for veterinary hospitals and their veterinarians. VetSource accepts prescriptions only from veterinarians who have a pre-existing and valid clinical relationship with their pet patients and pet owners. Additionally, veterinarians and hospitals electing VetSource as a service provider must undergo a formal contracting process and includes:

- A validation of the chief veterinarian/medical director practitioner and their acknowledgement of the terms of service during the sign up/contracting process
- Assuring that each veterinarian on staff is properly registered to issue prescriptions for their pet patients and understands and certifies compliance with 21CFR330.3(j)
- Overview of pharmacist procedures for receipt and clinical review of prescriptions

VetSource does not employ any veterinarians or contract with any veterinarians to provide medical evaluations, consultations, or accept referrals for pet patients/pet owners.

**A. Procedure by which hospitals formally engage VetSource as a pharmacy services provider:**

1. After initial consultation with the hospital to confirm that the hospital is interested in contracting VetSource's services, VetSource provides the hospital's Doctor of Record and/or legal counsel with a copy of the VetSource service contract.
2. The hospital's Doctor of Record provides all requested information including state license, DEA license, etc., signs the Hospital Services Agreement (service contract) and returns the executed contract to VetSource.
3. Upon receipt of the executed agreement, VetSource:
  - a. Verifies that the veterinary hospital is a legitimate veterinary hospital by obtaining the Hospital Identification Number from Health Industry Business Communications database.
  - b. Verifies that the Doctor of Record is an actively licensed veterinarian either by verifying licensure via the state of issuance or obtaining a copy of the license from the veterinarian.
  - c. Verifies the Doctor of Record's DEA license via the National Technical Information Service DEA database.
  - d. Reviews the records of the state license and DEA verifications (reviewed by a pharmacist) and places them on file in the VetSource pharmacy.



If the hospital or Doctor of Record fails any of these verification processes, no prescriptions are accepted from the hospital or affiliated veterinarians thereof.

**B. Procedures to assure that the Veterinarian has a valid veterinarian-client-patient relationship:**

1. The VetSource contract includes the following terms:
  - a. Only a licensed veterinarian can submit prescriptions to VetSource for fulfillment.
  - b. The Doctor of Record is responsible for ensuring that all veterinarians on staff that write prescriptions are legally qualified to write for the particular prescription item requested.
  - c. The Doctor of Record is responsible for ensuring that only qualified veterinarians are provided with the ability to approve prescriptions. All prescriptions are approved by the prescribing veterinarian via their own unique electronic signature (PIN number).
  - d. The prescribing veterinarian, by providing their signature (electronic or otherwise), is attesting that they have a pre-existing veterinarian-client-patient relationship as defined by the following criteria, outlined in 21CFR530.3 (i):
    - A veterinarian has assumed the responsibility for making medical judgments regarding the health of (an) animal(s) and the need for medical treatment, and the client (the owner of the animal or animals or other caretaker) has agreed to follow the instructions of the veterinarian;
    - There is sufficient knowledge of the animal(s) by the veterinarian to initiate at least a general or preliminary diagnosis of the medical condition of the animal(s); and
    - The practicing veterinarian is readily available for follow-up in case of adverse reactions or failure of the regimen of therapy. Such a relationship can exist only when the veterinarian has recently seen and is personally acquainted with the keeping and care of the animal(s) by virtue of examination of the animal(s), and/or by medically appropriate and timely visits to the premises where the animal(s) are kept.

**C. Procedures to make certain that pharmacists ensure prescription integrity:**

1. Prescriptions received by VetSource are verified by a VetSource pharmacist to ensure:
  - a. The prescription has been received from an affiliated and credentialed hospital.
  - b. The prescription meets the regulatory requirements for the product prescribed.
  - c. The prescription has been delivered to the pharmacy and approved by a veterinarian listed in the affiliated and credentialed hospital's account as an approved prescriber.
  - d. The prescription is signed by the prescriber with attestation of a valid vet-client relationship.
  - e. The prescription is properly dated to be legal and within the expiry period.
  - f. Per pharmacy Policies and Procedures, the pharmacist additionally reviews all prescriptions for clinical soundness, appropriate use, performs a Drug Utilization Review, etc.

If any prescription received by VetSource does not meet these criteria, the prescription is quarantined from workflow until the pharmacist can contact the prescribing veterinarian to report and/or resolve the issue.

**D. Financial relationship between VetSource and veterinarians**

The financial transactions are sales between a contracted veterinary hospital and its pet owner clients with VetSource acting as a service provider and receiving a fee for the services provided. VetSource only provides outsourced pharmacy services for veterinary hospitals that have formally contracted with VetSource for home delivery services. The retail transaction occurs between the hospital and the pet owner directly. The hospital takes title to the drug and then sells the product to the pet owner. This service methodology and the revenue recognition by the veterinary hospital meets threshold criteria for the reporting of revenue gross as a principal outlined in the EITF Abstracts (Issue No. 99-19) promulgated by The Financial Accounting Standards Board (FASB) and thus meets criteria as a generally accepted accounting principle (GAAP) as reviewed and confirmed during our three financial audits by national accounting firms. Moreover, this further substantiates the VetSource service model whereby the sale of the pharmaceutical item occurs between the veterinarian and the pet owner.

No veterinarians are required to use VetSource to fill their prescriptions. Those who do use VetSource as their home delivery pharmacy and service provider pay fair market value for those services.

Veterinarians are not paid for approving prescriptions nor are they entitled to any predetermined revenues from selling prescriptions to their pet owners. Neither VetSource nor the prescribing veterinarian receives any monetary compensation related to the prescribing process (i.e. the transfer of a prescription or the solicitation of clients). The business transactions between the contracted veterinary hospital and VetSource do not involve proceeds being shared with the prescribing veterinarian. No kickbacks, rebates or bonus are offered to those veterinarians who do use VetSource.

The following are additional details of the transaction:

1. Transaction Flow - Several steps are involved in a hospital's order and purchase of the prescription drug, their selling of that drug to their pet owner and VetSource's shipping of the product on the hospital's behalf to the pet owner's home.
  - a. Pet Owner requests a prescription either (i) through the contracted hospital's website or (ii) in the hospital for delivery to the client's home.
  - b. The veterinarian reviews the request, confirms that a valid veterinarian-client-patient relationship exists, and approves the pet owner's prescription request, if medically appropriate.
  - c. VetSource pharmacy receives the prescription from the contracted hospital. The hospital purchases and takes title to the drug from VetSource. The hospital does not take physical possession of the drug because the VetSource pharmacy is the party that actually dispenses the drug and ships directly to the pet owner's home on behalf of the contracted hospital. At this step in the process:
    - A withdrawal for the purchase of the prescription drug from VetSource is recorded in the hospital's e-Merchant account
    - The approved prescription is sent to the VetSource pharmacy to initiate the fulfillment of the home delivery prescription on behalf of the hospital
2. VetSource Pharmacy processes the prescription and ships it directly to the pet owner. At this step in the process:

- a. The retail price of the prescription drug is captured from the pet owner's credit card and the full retail price for the sale is deposited into the hospital's e-Merchant account. The charges for taxes and shipping of the drug to the pet owner are also transferred into the e-Merchant account.
  3. The hospital pays VetSource the pharmacy processing fee and other fees associated with filling and shipping the prescription on behalf of the veterinarian. At this step in the process:
    - a. A withdrawal is recorded from the hospital's e-Merchant account for the prescription processing fee, credit card processing fee, and shipping collected.
- iii. **Maintaining Freedom of Pet Owner Choice in Where They Have Their Prescriptions Filled**

If a hospital has engaged VetSource as a provider of their home delivery services, the pet owner still has the following choices in where they have their prescriptions filled:

  1. The pet owner may buy the product from the hospital while they are in the clinic.
  2. The pet owner may request a written prescription from the veterinarian and have it filled where they choose (e.g. their local pharmacy).
  3. The pet owner may request that the prescription be filled by a home delivery company other than VetSource (e.g. Drs Foster & Smith or 800PetMeds).
  4. The pet owner may request that the hospital provide the prescription via VetSource Home Delivery.

Finally, if the hospital asks VetSource to fill a prescription for a pet owner where the pet owner has not yet confirmed payment and shipping details, a pharmacy staff member calls the pet owner to ensure that they have indeed chosen to have VetSource fill the prescription for them.

**EXHIBIT C**

**EXHIBIT C**



NEVADA STATE BOARD OF PHARMACY  
**OFFICE OF THE GENERAL COUNSEL**

WRITER'S DIRECT DIAL: (775) 850-1440 • E-MAIL: PEDWARDS@PHARMACY.NV.GOV • FAX: (775) 850-1444

February 27, 2015

Kutak Rock, LLP  
Attn: Kevin Burr  
1650 Farnam Street  
Omaha, NE 68102-2186

Strategic Pharmaceuticals Solutions, Inc. (dba VetSource)  
c/o Kevin Burr  
1650 Farnam Street  
Omaha, NE 68102-2186

**RE: VETSOURCE'S OUTSOURCED VETERINARY HOSPITAL  
PHARMACY SERVICE**

Dear Mr. Burr:

My office reviewed your February 9, 2015 letter, along with the 'Business Model Overview' you provided from Strategic Pharmaceutical Solutions, Inc. (VetSource). Those materials describe what VetSource calls its "outsourced hospital pharmacy service," which is a dispensing model wherein pharmacists at a VetSource facility dispense prescription drugs, which the veterinary hospital purportedly owns, to the hospital's patients on the hospital's behalf. Nevada law does not allow that service for the reason's explained below. Strategic Pharmaceutical Solutions Inc. and/or VetSource must discontinue their "outsourced hospital pharmacy service" immediately.

First, Nevada law does not allow a veterinary facility to outsource its dispensing services. Dispensing by a veterinary facility can only occur at the veterinary facility, and it can only be done by a veterinarian or veterinary technician working at that facility.

As a starting point for this discussion, Nevada practitioners may not dispense a prescription drug without first registering with this Board as a *dispensing practitioner*. See NRS 639.23505 and NAC 639.742. Even when properly registered, only the dispensing practitioner can dispense, and only to her own patients. NAC 639.742(3). Additionally, only the dispensing practitioner can order, receive, account for and possess

prescription drugs, and only the dispensing practitioner can have access to the locked drug storage cabinet. *Id.* A dispensing practitioner may employ a dispensing technician to assist with some of the dispensing practitioner's duties, but the regulation clearly does not allow outsourcing. NAC 639.743.

The Board of Pharmacy recognizes an exception in Nevada's veterinary regulations that allows a *veterinary facility* to dispense to that facility's patients without requiring the facility's veterinarians to register as dispensing practitioners. See NAC 638.0628 and NAC 638.0629. However, just like a dispensing practitioner who dispenses drugs for human use, a veterinary facility that chooses to dispense cannot outsource that activity. All dispensing must be done internally. The regulation is very clear in stating that the *veterinary facility* must "allow only veterinarians, veterinary technicians or veterinary technicians in training at that veterinary facility to prepare a prescription drug for dispensing." NAC 638.0629(1) (b) (emphasis added). Additionally, the veterinary facility must ensure that:

1. "[A] prescription drug which is new for an animal is not dispensed unless a veterinarian or veterinary technician is at the veterinary facility or is otherwise available at the time the prescription drug is dispensed," and
2. "[A] notation is made in the medical record . . . that contains" . . . "[t]he name, signature or initials of the veterinarian, *veterinary technician* or *veterinary technician in training* who prepared . . . [and] who verified the prescription drug before the prescription drug was dispensed.

NAC 638.0629(1)(b). Further, any record made pursuant to NAC 638.0629 must be maintained and available for inspection at the veterinary facility for four years.

Additionally, if the veterinary facility dispenses controlled substances, it must comply with regulations that are similar to dispensing practitioner regulations for securing the drugs. The veterinary facility must (a) ensure that all drugs are stored in a locked container that is affixed to the structure of the building, (b) ensure that "only a veterinarian or a veterinary technician designated by the veterinarian has the keys or combination to unlock [the drug locker]," (c) "[r]estrict access to the controlled substances to *veterinarians or veterinary technicians only*," (d) keep records of each *veterinarian or veterinary technician* who accesses the drug locker, and (e) ensure that a veterinarian is directly involved in verifying drug stock that arrives at the veterinary hospital. NAC 638.0628(3).

VetSource's business model does not comply with those requirements. VetSource states repeatedly in its materials that it employs no veterinarians who are involved in dispensing or verifying its prescriptions. Additionally, VetSource's model cannot ensure that the prescribing veterinarian or a veterinary technician is available when the drugs are dispensed, since the dispensing takes place off-site and out-of-state.

Further, VetSource fails to show how a prescribing veterinarian can maintain the required dispensing records at the veterinary facility when the filling and verification process is completed off-site. Finally, VetSource's model does not allow for compliance with any of the security requirements for controlled substance, including the requirement that only a veterinarian or veterinarian technician at the veterinary facility can have keys and access to the drugs. VetSource can perform those functions as a *pharmacy* licensed by the Board, but it cannot do them lawfully under the guise that it is an *outsourced* extension of the veterinary facility's dispensing practice. That outsourced operation is really a pharmacy.

Thus, VetSource's "outsourced hospital pharmacy service" violates most of the requirements of NAC 638.0628 and 638.0629. Outsourcing their dispensing services is not a model that is available to Nevada veterinary facilities. A veterinary facility must dispense to its own patients directly, or allow its patients to take their prescriptions to a pharmacy.

Secondly, the obvious purpose of VetSource's business model is to incentivize veterinary facilities to steer patients to VetSource to have their prescriptions filled. VetSource and other companies have devised similar models where the veterinary facility receives a financial benefit from the prescriptions its prescribers write and that VetSource fills. Such financial incentives are not legal in Nevada. NRS 639.264 states that:

1. No registered pharmacist, or owner of any pharmacy licensed under the provisions of this chapter, may offer, deliver or pay any unearned rebate, refund, commission, preference, patronage dividend, discount or other unearned consideration to any person, whether in the form of money or otherwise, as compensation or inducement to such person for referring prescriptions, patients, clients or customers to such pharmacist or pharmacy, irrespective of any membership, proprietary interest or co-ownership in or with any person by whom such prescriptions, patients, clients or customers are referred.

....

VetSource's model violates NRS 639.264 because VetSource-contracted veterinary facilities steer patients to VetSource to fill their prescriptions by way of advertising and links on the veterinary facility's website that lead to VetSource's sales website. Transactions are completed and the medication is dispensed by VetSource, but the sales proceeds are routed to an e-merchant account in the veterinary facility's name. The problem arises when VetSource receives only a portion of the sales proceeds, and the veterinary hospital keeps the remainder. At that moment, the veterinary hospital has received consideration for steering patients with its prescriber's prescriptions to VetSource for dispensing. VetSource cannot allow that under NRS 639.264.

Therefore, VetSource must discontinue its "outsourced hospital pharmacy service" in Nevada immediately. Nevada law does not allow a veterinary hospital (or any

dispensing practitioner) to outsource its dispensing service, and VetSource's model impermissively incentivizes contracted prescribers to steer their patients to VetSource through the payment of consideration related to each prescription.

To be clear, VetSource can continue to have relationships with Nevada veterinary facilities to provide nonexclusive *pharmacy* services—but not outsourced dispensing services. As with any on-line pharmacy, the prescription must be provided to VetSource by the veterinarian at the request of the patient. VetSource can verify the validity of the prescription, dispense the medication, collect payment *directly from the pet owner* and send the prescription to the pet owner. Advertising and a VetSource link on the veterinary facility's website are acceptable, but VetSource's model may not provide the veterinary facility or its veterinarians any form of overt or disguised remuneration.

To avoid further action, please provide, or have your client provide, within 10 business days of receipt of this letter, written confirmation that VetSource has discontinued its outsourced hospital pharmacy service in Nevada. Contact me if you have questions.

Best regards,



S. Paul Edwards  
General Counsel  
Nevada State Board of Pharmacy

cc: Larry Pinson, Executive Secretary, Nevada State Board of Pharmacy.  
Debbie Machen, Executive Director, Nevada State Board of Veterinary Medical  
Examiners



**EXHIBIT D**

**EXHIBIT D**

BEFORE THE NEVADA BOARD OF PHARMACY

IN RE:

STRATEGIC PHARMACEUTICAL  
SOLUTIONS INC. D/B/A VETSOURCE,

Petitioner.

RECEIPT OF COPY

I HEREBY ACKNOWLEDGE receipt of an original and six (6) copies of the attached  
Petition for Declaratory Order or Advisory Opinion Regarding the Outsourced Hospital  
Pharmacy Service Business Model, with all exhibits thereto, this 12<sup>th</sup> day of March, 2015:

NEVADA BOARD OF PHARMACY

BY: 

451 W. Plumb Lane  
Reno, Nevada 89509

9-17-2005

BEFORE THE NEVADA BOARD OF PHARMACY

In Re:

STRATEGIC PHARMACEUTICAL  
SOLUTIONS INC., d/b/a VETSOURCE,

Petitioner

PETITION FOR DECLARATORY  
ORDER OR ADVISORY OPINION  
REGARDING THE OUTSOURCED  
HOSPITAL PHARMACY SERVICE  
BUSINESS MODEL

COMES NOW Strategic Pharmaceutical Solutions, Inc. ("VetSource") and hereby petitions the Nevada State Board of Pharmacy for a declaratory order or advisory opinion regarding the applicability and interpretation of the Nevada pharmacy statutes and regulations as they relate to VetSource's business model and operations, pursuant to NRS 233B.120 and NAC 639.150.

**I. JURISDICTION**

1. Pharmacists and pharmacies in the State of Nevada are governed by Chapter 639 of the Nevada Revised Statutes ("NRS") and Chapter 639 of the Nevada Administrative Code ("NAC"). The Nevada State Board of Pharmacy ("Board") has primary jurisdiction over the licensing and regulations of persons operating or engaged in the practice of pharmacy.

2. Pursuant to NRS 233B.120 and NAC 639.150, the Board has the authority to issue declaratory orders and advisory opinions "as to the applicability of any statutory provision, agency regulation or decision of the agency," NRS 233B.120.

**II. STATEMENT OF FACTS**

3. VetSource is a company that specializes in providing services for veterinary hospitals, including, but not limited to, wholesale distribution directly to veterinarians and their hospitals for in-clinic use and sales, home delivery pharmacy services for shipment of products directly to pet owners on behalf of veterinarians, software services, and other business solutions for veterinary hospitals.

4. VetSource has maintained both retail (License No. PH02320) ("VetSource Home Delivery") and wholesale (License Nos. WH01459, WH01461) ("VetSource Wholesale") (collectively, "VetSource") pharmacy licenses in Nevada since 2007. (See Exhibit A, License Verification). These licenses are current and in active status.

5. By telephone conference on February 5, 2015, Dave Wuest, Deputy Executive Secretary of the Nevada State Board of Pharmacy, contacted VetSource's pharmacy manager, Laura Hysen, inquiring about the VetSource business model, specifically as to how the company interacted with veterinarians, veterinary hospitals and Nevada pet owners. Ms. Hysen and Mr. Wuest agreed to arrange a conference with counsel for both VetSource and the Board.

6. By telephone conference on February 9, 2015, Kevin Burr, counsel for VetSource, and Paul Edwards, counsel for the Board, discussed issues related to VetSource's business model. Mr. Edwards noted that he was inclined to issue VetSource a "cease and desist" letter. Mr. Burr requested the opportunity to submit a detailed explanation of the business model, and Mr. Edwards agreed.

7. Mr. Burr submitted a detailed explanation of VetSource's business model to Messrs. Edwards and Wuest by letter dated February 9, 2015. (See Exhibit B, VetSource's February 9, 2015 letter to Messrs. Edwards and Wuest).

8. After receiving Mr. Burr's explanatory letter and exhibits, Nevada officials did not call VetSource's counsel to discuss the substance of the letter or ask questions about VetSource's submission, nor did they ever raise questions about whether VetSource improperly "dispenses" prescription drugs.

9. On February 27, 2015, in response to VetSource's February 9, 2015 letter, the Office of General Counsel of the Nevada Board of Pharmacy ("OGC") issued a letter stating

"Strategic Pharmaceutical Solutions Inc. and/or VetSource must discontinue their 'outsourced hospital pharmacy service' immediately." (See Exhibit C. Cease and Desist Letter). The OGC alleged violations of NRS 639.23505, NRS 639.264, NAC 638.0628, NAC 638.0629, NAC 639.742, and NAC 639.743, discussed in further detail below.

10. The Cease and Desist Letter contains several instances in which the OGC reached conclusions on factual matters that are inconsistent with VetSource's letter and ignored evidence presented by VetSource. In other words, the OGC ignored and rejected evidence from VetSource, even though the OGC had no evidence that contradicted VetSource's submission.

11. During the past five years, VetSource has received similar complaints or inquiries from pharmacy boards in California, Michigan, Minnesota, Oregon, Pennsylvania, Texas, Virginia and Wisconsin. All of the above states have, after investigating the complaints and considering relevant evidence, closed the investigations and found no violations of antikickback laws or other state statutes and regulations.

### III. STATEMENT OF LAW

12. Nevada administrative agencies such as the Board are authorized to issue declaratory orders and advisory opinions pursuant to NRS 233B.120. "Each agency shall provide by regulation for the filing and prompt disposition of petitions for declaratory orders and advisory opinions as to the applicability of any statutory provision, agency regulation or decision of the agency." NRS 233B.120.

13. The Board has promulgated NAC 639.150, which lists the requirements for filing a petition for declaratory order or advisory opinion: "A petition requesting a declaratory order or advisory opinion pursuant to NRS 233B.120, must be in writing and signed by the petitioner. An original and six legible copies of the petition must be filed with the Executive Secretary." NAC 639.150.

14. The regulation requires that "[t]he petition [ ] be considered by the Board at its next regularly scheduled meeting[.]" and that the Board issue such order or opinion "[w]ithin 30 days thereafter[.]" *Id.* VetSource has included a proposed order as Exhibit D.

#### IV. THE VETSOURCE BUSINESS MODEL

15. VetSource Home Delivery is a NABP Vet-VIPPS-accredited pharmacy and the VetSource Wholesale division is a VAWD-accredited entity. The business model and relationship with veterinarians have been reviewed in detail by NABP, various state boards of pharmacy, and expert legal counsel for these boards, trade and professional associations, and regulatory agencies, all of whom have specifically examined issues related to kickbacks, rebates, and fee-splitting on a state-by-state basis. None of those reviewing agencies concluded that VetSource's model violated such laws.

16. VetSource Wholesale and VetSource Home Delivery divisions are licensed and in good standing in all required states and purchase all of their veterinary pharmaceutical products directly from leading animal health manufacturers and distributors.

17. VetSource's primary business is as an outsourced pharmacy services provider for contracted veterinary hospitals ("Veterinary Customers") who have contracted with VetSource for such services at fair market value for these services.

18. Three separate but related transactions encompass a typical interaction among VetSource, the Veterinary Customer, and the pet owner.

19. First, upon receiving a wholesale request from a Veterinary Customer to process a transaction, VetSource Wholesale sells the product wholesale, to the Veterinary Customer under Nevada Board of Pharmacy Wholesale Pharmacy License Number WH01459 or WH01461. The Veterinary Customer takes title to the drug, but not physical possession.

20. Second, the Veterinary Customer then sells the product to the pet owner at a retail

price set by the Veterinary Customer. The product is then consigned by the Veterinary Customer to VetSource Home Delivery for processing under Nevada Board of Pharmacy License Number PH02320.

21. At the direction of the Veterinary Customer,<sup>1</sup> VetSource Home Delivery then mails the prescription to the pet owner directly. This results in a more efficient process, reduced costs to the pet owner and greater speed in getting prescriptions to the pet owner. This process bypasses the unnecessary time and expense associated with VetSource mailing the filled prescription to the Veterinary Customer for ultimate dispensing to the pet owner. However, at all times, VetSource acts at the direction of the Veterinary Customer, pursuant to applicable pharmacy statutes and regulations.

22. Each step in the process is recorded in the Veterinary Customer's e-merchant account:

- A charge in the amount of the wholesale price of the drug is recorded in the Veterinary Customer's e-Merchant account upon VetSource's receipt of the request to process an order on behalf of the Veterinary Customer.
- When the retail price of the prescription drug, other fees and taxes, and associated charges are captured from the pet owner's credit card, the entire sum of the retail transaction is collected by VetSource and deposited into the Veterinary Customer's e-Merchant account.
- The pet owner is then charged the retail price of the drug set by the Veterinary Customer. The Veterinary Customer has sole control over the retail price it would like to charge the pet owner.

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<sup>1</sup> VetSource Veterinary Customers are all licensed to dispense prescription medications.

- Instead of the pet owner paying the Veterinary Customer and the Veterinary Customer paying VetSource the wholesale price of the drugs and a delivery fee, the Veterinary Customer authorizes VetSource to collect the retail price on its behalf. The Veterinary Customer authorizes VetSource to deduct amounts owed to VetSource from the retail amount.
- After each transaction is settled, any remaining funds are available in the Veterinary Customer's e-Merchant account until withdrawn by the Veterinary Customer upon its request or a predetermined date.

23. In the event a Veterinary Customer makes a mistake in its wholesale request to VetSource Wholesale, or for any other reason needs to refund the pet owner the retail price of the prescription, the Veterinary Customer must still pay VetSource Wholesale and VetSource Home Delivery for their services, as the Veterinary Customer bears the risk of financial loss. VetSource (Wholesale and Home Delivery) can demonstrate instances where this has occurred in Nevada.

24. Furthermore, the Veterinary Customer may choose to charge the pet owner less than the cost of VetSource's services and take a loss on the transaction. VetSource (Wholesale and Home Delivery) can demonstrate instances where this has occurred in Nevada.

25. This service methodology and revenue recognition by the veterinary hospital meets threshold criteria for the reporting of revenue gross as a principal outlined in the EITF Abstracts (Issue No. 99-19) promulgated by the Financial Accounting Standards Board ("FASB") and thus meets criteria as a generally accepted accounting principle ("GAAP") as reviewed and confirmed during VetSource's three financial audits by national accounting firms.

26. VetSource's contracts with Veterinary Customers indicate that the Veterinary



Customers are responsible for setting the retail prices of prescriptions as well as other factors relating to establishment and that financial transactions are sales between a Veterinary Customer and its pet owner clients, with VetSource acting as a service provider and receiving a fee for the services provided.

27. No veterinarians are required to use VetSource to fill their prescriptions. Those who do use VetSource as their outsourced pharmacy service provider pay fair market value for those services, just as they would for any third-party fill service, delivery service, and collection service.

28. Veterinary Customers have complete freedom to determine their pricing for their pet owner clients. Veterinary Customers are not paid by VetSource but rather pay VetSource for services provided as detailed above. Veterinary Customers are not entitled to, and VetSource makes no guarantee regarding, any predetermined revenues from selling prescriptions to their pet owners. The Veterinary Customer determines its margin based upon the retail price determined solely by the Veterinary Customer. Neither VetSource nor the Veterinary Customer receives any monetary compensation related to the prescribing process (i.e., the transfer of a prescription or the solicitation of clients). The business transactions between the Veterinary Customer and VetSource do not involve proceeds being shared with the prescribing veterinarian. As previously described in VetSource's February 9, 2015 submission, no kickbacks, rebates, bonuses, or similar financial compensation is offered or paid to those veterinarians who do use VetSource's services. See Exhibit B.

#### V. LEGAL ANALYSIS

The OGC's letter raises the following questions:

1) Is the VetSource "outsourced hospital pharmacy service" business model compliant with Nevada pharmacy statutes or regulations?

2) Is the VetSource "outsourced hospital pharmacy service" business model compliant with Nevada's antikickback statute, NRS 369.264?

As set forth below, VetSource submits that the answer to both questions is "Yes." VetSource submits that it has violated no Nevada law.

**A. The February 27, 2015 Letter from the Office of General Counsel Is Not a Proper Action by the Board and Impermissibly Requires VetSource To Cease Operations in Nevada.**

The OGC's February 27, 2015 Cease and Desist Letter states: "Strategic Pharmaceutical Solutions, Inc. and/or VetSource must discontinue their 'outsourced hospital pharmacy service' immediately." However, VetSource has been unable to discover, and the letter does not point to, any action taken by the Board that would authorize the OGC to direct VetSource to cease its business operations in Nevada. Requiring VetSource to cease operations is akin to revoking its license to practice pharmacy in Nevada and entitles VetSource to formal notice and the opportunity for a full hearing *prior to* any action affecting VetSource's license.

The Board may "[r]egulate the practice of pharmacy." NRS 639.070(e). However, by granting wholesale and retail pharmacy licenses to VetSource, the Board has conferred on VetSource a protected property interest that may not be removed without violating VetSource's due process. *See Gallo v. U.S. Dist. Court for Dist. of Arizona*, 349 F.3d 1169, 1179 (9th Cir. 2003) ("[w]e have recognized in a number of contexts that an individual has a legitimate property interest in his or her professional license.").

The Legislature has enacted procedural requirements to protect licensees' due process interests in the context of disciplinary actions. "A hearing to determine whether the rights and privileges granted by any certificate, certification, license or permit issued by the Board should be revoked, suspended, limited or conditioned *must* be initiated by the filing of an accusation by

the Board." NRS 639.241 (emphasis added). In this case, however, the OGC has not complied with these procedural requirements and thus has denied VetSource its due process protections. Before requiring VetSource to cease operations,<sup>2</sup> VetSource must, at minimum, be entitled to the process afforded other licensees in Nevada to defend its licenses, including notice and an opportunity for a hearing.

The OGC's Cease and Desist Letter should be withdrawn for another reason: the OGC has made factual determinations—rejecting VetSource's Letter—without any factual basis. The OGC has *arbitrarily* rejected VetSource's factual statements and evidence concerning its business, without providing any explanation or basis for ignoring VetSource's description of its own business, and has done so without citing to any contrary evidence, and without any evidentiary hearing. For example, VetSource provided the OGC written evidence that it "does not offer, deliver or pay rebates, refunds, commissions . . . to veterinarians or any other person." See Exhibit B. The OGC, however, ignores this factual statement completely, and substitutes its own unfounded opinion: "the veterinary facility receives a financial benefit from the prescription." See Cease and Desist Letter. The OGC's Cease and Desist Letter does not cite any evidence to support its speculation on this issue, therefore substituting the OGC's *opinion* for the *facts* presented by VetSource. The OGC's action thus is arbitrary, capricious and without any factual basis. Therefore, the Board should determine that the OGC's Cease and Desist Letter should be withdrawn, and that VetSource is entitled to notice and hearing *prior to* any adverse action against its licenses.

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<sup>2</sup> VetSource is aware of Nevada regulations that allow for immediate suspension of licenses of *dispensing practitioners*, but these regulations do not apply to wholesale and retail pharmacy licensees. See NAC 639.745. Moreover, the immediate suspension regulations nonetheless provide for a hearing to be held after the filing of an accusation and, to date, the Board has not filed an accusation. *Id.*

**B. VetSource's Business Model Complies With Nevada Pharmacy Statutes and Regulations.**

Even if the February 27, 2015 Cease and Desist Letter had any legal force or effect, the legal analysis contained therein is incorrect. The OGC correctly notes that "Nevada practitioners may not dispense a prescription drug without first registering with this Board as a dispensing practitioner." (Exhibit C, p. 1). The Board then correctly lists the duties of a dispensing practitioner. *Id.* However, Nevada law does not support the OGC's conclusion, and the OGC has not cited to a single Board decision or Nevada judicial interpretation to support its view.

The Board's primary conclusion is that the Nevada pharmacy statutes and regulations do not allow a dispensing practitioner to outsource its dispensing process. However, nowhere in the statutes or the regulations is this specific proposition directly stated. The OGC resorted to interpretations of the statutes and regulations in order to reach this conclusion, and VetSource believes that Nevada law supports a contrary interpretation.

The OGC's strained interpretation of the relevant regulation requires the OGC to combine two defined terms under the Nevada statutes and regulations. "Dispense" means "to deliver a controlled substance or dangerous drug to an ultimate user, patient or subject of research by or pursuant to the lawful order of a practitioner, including the prescribing by a practitioner, administering, packaging, labeling or compounding necessary to prepare the substance for that delivery." NRS 639.0065. Under Nevada regulations, "Practitioner" is defined as:

1. A physician, dentist, veterinarian or podiatric physician who holds a license to practice his or her profession in this State;
2. A hospital, pharmacy or other institution licensed, registered or otherwise permitted to distribute, dispense, conduct research with respect to or administer drugs in the course of professional practice or research in this State;
3. An advanced practice registered nurse who has been authorized to prescribe controlled substances, poisons, dangerous drugs and devices;

4. A physician assistant who:

- (a) Holds a license issued by the Board of Medical Examiners; and
- (b) Is authorized by the Board to possess, administer, prescribe or dispense controlled substances, poisons, dangerous drugs or devices under the supervision of a physician as required by chapter 630 of NRS;

5. A physician assistant who:

- (a) Holds a license issued by the State Board of Osteopathic Medicine; and
- (b) Is authorized by the Board to possess, administer, prescribe or dispense controlled substances, poisons, dangerous drugs or devices under the supervision of an osteopathic physician as required by chapter 633 of NRS; or

6. An optometrist who is certified by the Nevada State Board of Optometry to prescribe and administer therapeutic pharmaceutical agents pursuant to NRS 636.288, when the optometrist prescribes or administers therapeutic pharmaceutical agents within the scope of his or her certification.

NRS 639.0125. The term "dispensing practitioner" is not defined in the Nevada statutes or regulations.

VetSource Wholesale receives requests for prescription delivery services from its Veterinary Customers. VetSource then sells the product, wholesale, to the Veterinary Customer. The Veterinary Customer takes title to the drug but not physical possession, and then sells the product to the pet owner. The product is then consigned by the Veterinary Customer to VetSource Home Delivery for processing and delivery to the pet owner. VetSource does not "dispense" pharmaceuticals as defined by NRS 639.0065.<sup>3</sup> VetSource's Veterinary Customers maintain full responsibility for the dispensing process and, indeed, the Veterinary Customer is the "dispensing practitioner." The Veterinary Customer provides a lawful prescription, which it then directs VetSource to package, label, and prepare for delivery. The Veterinary Customer then directs VetSource to deliver the "controlled substance or dangerous drug to an ultimate

<sup>3</sup> In the alternative, VetSource is the *only* entity dispensing drugs in this arrangement. VetSource Home Delivery, as a licensed pharmacy, is directed by the Veterinary Customer to dispense the drugs pursuant to its contract with VetSource. Under either arrangement, VetSource contends that it has not violated Nevada pharmacy statutes or regulations.

user." The Veterinary Customer dispenses the drug to its own patients, the pet owners, by directing VetSource to correctly fill the Veterinary Customer's prescription.<sup>4</sup>

VetSource also contends that the OGC has incorrectly combined the two definitions to include pharmacies where they should not be included. In the vernacular, a dispensing practitioner is a practitioner of a discipline other than pharmacy, such as a doctor who dispenses medication or an optometrist who dispenses pharmaceutical agents. A pharmacy practitioner who dispenses pharmaceutical agents is merely called a pharmacist.<sup>5</sup> Under this definition, a pharmacy is not a dispensing practitioner, and the regulations cited by the OGC would not apply to prohibit VetSource's "outsourced hospital pharmacy service" business model.

Finally, the VetSource "outsourced hospital pharmacy service" business model promotes positive professional associations. Pharmacists employed by VetSource are specifically trained to handle controlled substances and dangerous drugs, as opposed to veterinarians who may not have specific training as to the storage, creation, preparation, labeling and delivery of pharmaceuticals. By allowing VetSource to fill prescriptions in the manner described in the "outsourced hospital pharmacy service" business model, the Board would be in a better position to regulate the proper distribution of pharmaceuticals and the practices of Nevada licensed pharmacists and pharmacies. This practice is safer for pet owners and protects the public interest by having pharmacists who specialize in reviewing, labeling, packaging, and verifying veterinary drugs actually be the licensed entities that deliver drugs to the pet owner.

<sup>4</sup> In this sense, VetSource acts like a fulfillment pharmacy under NAC 639.7125. Both the dispensing veterinary facility and VetSource are "individually responsible for ensuring that their respective portions of the prescription have been filled or refilled correctly." NAC 639.7125.

<sup>5</sup> VetSource's pharmacists have all complied with Nevada regulations requiring them to register before dispensing controlled substances or dangerous drugs to an ultimate user and with the requirements cited by the OGC in NAC 639.742.

Therefore, VetSource respectfully requests the Board issue a declaratory order or an advisory opinion that VetSource's "outsourced hospital pharmacy service" business model complies with Nevada pharmacy statutes and regulations.

**C. The Nevada State Board of Pharmacy Has No Authority To Interpret and Apply Regulations Promulgated by the Nevada State Board of Veterinary Medical Examiners, and the OGC Has Incorrectly Interpreted the Veterinary Regulations Cited.**

The OGC has cited to NAC 638.0628 and 638.0629 for the proposition that an exception exists that would allow for any veterinary facility to dispense to that facility's patients without registering as dispensing practitioners under the Pharmacy statutes. The OGC contends that even if this exception applies to VetSource, "a veterinary facility that chooses to dispense cannot outsource that activity." (Exhibit C, p. 2). As an initial matter, VetSource has been unable to locate any case law, statute, regulatory authority or Board action that would allow the Board's interpretation of the regulations promulgated by Nevada State Board of Veterinary Medical Examiners to have binding effect.

However, even if the Board's interpretation of the veterinary regulations did have binding effect (it does not), the OGC has incorrectly interpreted the regulations. In its February 27, 2015 Cease and Desist Letter, the OGC stated that a veterinary facility that chooses to dispense cannot outsource that activity. The OGC relies on an interpretation of NAC 638.0629 to reach this conclusion. According to NAC 638.0629, "[a] veterinary facility that dispenses prescription drugs . . . may allow only veterinarians, veterinary technicians or veterinary technicians in training at that veterinary facility to prepare a prescription drug for dispensing." The OGC has interpreted this regulation to state that only veterinarians at that veterinary facility, veterinary technicians at that veterinary facility, or veterinary technicians in training at that veterinary facility may prepare a prescription drug for dispensing.

The OGC's interpretation of "veterinary facility" is prohibitively narrow. Nevada regulations define "veterinary facility" as "any facility in which veterinary medicine is practiced . . . includ[ing] a building, a kennel and a mobile veterinary clinic which is controlled by a veterinarian for the practice of veterinary medicine." NAC 638.018. The inclusion of a kennel and a mobile veterinary clinic indicate a clear desire by the Nevada State Board of Veterinary Medical Examiners to extend the ability to dispense drugs outside of the physical four walls of a traditional veterinary clinic. In many cases, pharmaceutical drugs are shipped, independently of VetSource's business model, at the direction of the Veterinary Customer directly to a kennel, stable, or other outside "facility," to be administered at the kennel, stable or other outside "facility."

The key phrase in the definition is "controlled by a veterinarian." VetSource pharmacies are controlled by veterinarians for the practice of veterinary medicine, because VetSource acts at the direction of the Veterinary Customer in furtherance of its practice of veterinary medicine. Therefore, VetSource falls under the veterinary exception cited by the OGC in NAC 638.0629.

In the alternative, a logical interpretation of the regulation suggests that the phrase "at that veterinary facility" modifies only the term "veterinary technicians in training." Under this interpretation, a veterinary facility may allow three categories of individuals to prepare prescription drugs for dispensing: veterinarians, veterinary technicians and veterinary technicians in training (but only those training at that facility). This reading of the regulation does not require the dispensing to be done at the facility, unless it is done by veterinary technicians in training. Under this interpretation, the phrase "prepare a prescription drug for dispensing" would allow for VetSource's Veterinary Customers to outsource the fulfillment of their prescriptions to



VetSource and still comply with all the requirements of NAC 638.0629, as described above in the pharmacy context.

The OGC has stated that "VetSource employs no veterinarians who are involved in dispensing or verifying its prescriptions . . . [and] cannot ensure that the prescribing veterinarian or a veterinary technician is available when the drugs are dispensed since the dispensing takes place off-site and out of state." As previously addressed, the dispensing process is managed and maintained by the veterinary facility, which directs VetSource to package, label, and prepare for delivery and then directs VetSource to deliver the "controlled substance or dangerous drug to an ultimate user." The Veterinary Customer dispenses the drug to its own patients by directing VetSource to correctly fill the Veterinary Customer's prescription.

The OGC has also stated that it would be impossible for a veterinary facility to maintain dispensing records and comply with security requirements for controlled substances. The OGC, however, has not reviewed any such records in this case, nor has it determined that any record-keeping has been noncompliant. The OGC's conclusion as to dispensing records is arbitrary, capricious, and inaccurate. The relevant regulation states:

A veterinary facility that dispenses prescription drugs:

\* \* \*

Shall ensure that a notation is made in the medical record of the animal that contains:

\* \* \*

(5) The name, signature or initials of the veterinarian, veterinary technician or veterinary technician in training who prepared the prescription drug for dispensing.

(6) The name, signature or initials of the veterinarian or veterinary technician who verified the prescription drug before the prescription drug was dispensed.

NAC 638.0629(e).

The veterinary facility may still notate everything in the record, except that the veterinarian would note that a VetSource *pharmacist* verified the prescription drug before the prescription drug was dispensed. This in no way diminishes the safety of the process, and in fact provides multiple paths for the pet owner to receive information about the prescription drug, as both VetSource pharmacists and Veterinary Customer veterinarians are available for counseling the pet owner. Nothing in the OGC's letter suggests that it has reviewed any record-keeping processes here, or has any factual basis for its conclusions.

The regulation cited by the OGC regarding controlled substances applies only to "[a] veterinary facility which maintains a stock of controlled substances for administration or dispensing[.]" NAC 638.0628. Using the VetSource model, it is possible that veterinary facilities would no longer have controlled substances at their facility, and if the facility did keep a stock of controlled substances (which would necessarily not be from VetSource), then the facility would be obligated to ensure compliance regardless of its relationship with VetSource.

Importantly, under NAC 638.020, "[i]n special cases, for good cause and if it is not contrary to statute, the Board may permit deviations from this chapter when the ends of justice require." VetSource contends that this is a special case, previously unconsidered by Nevada veterinary regulations. To the extent the VetSource model does not comply with Nevada veterinary regulations, VetSource would seek a special deviation from the Nevada State Board of Veterinary Medical Examiners.

To the extent the Board finds it has the authority to interpret the regulations of the Nevada State Board of Veterinary Medical Examiners and create binding precedent, VetSource respectfully requests the Board issue a declaratory order or an Advisory Opinion that VetSource's "outsourced hospital pharmacy service" business model complies with Nevada State

Board of Veterinary Medical Examiners regulations. In the alternative, VetSource requests that the Board issue a declaratory order or an advisory opinion solely that VetSource's "outsourced hospital pharmacy service" business model complies with Nevada pharmacy statutes and regulations.

**D. VetSource's Business Model Complies With Nevada Statutes and Regulations Related to Kickbacks.**

The OGC's final argument states that "the obvious purpose of VetSource's business model is to incentivize veterinary facilities to steer patients to VetSource to have their prescription filled." (Exhibit C, p. 3). The OGC is wrong, and directly contradicted by undisputed evidence.

As correctly cited by the OGC:

No registered pharmacist, or owner of any pharmacy . . . may offer, deliver or pay any unearned rebate, refund, commission, preference, patronage dividend, discount or other unearned consideration to any person, whether in the form of money or otherwise, as compensation or inducement to such person for referring prescriptions, patients, clients or customers to such pharmacist or pharmacy[.]

NRS 639.264.

VetSource does not pay any unearned consideration to any veterinarian. See Exhibit B. As described above, VetSource enters into a contract with its Veterinary Customers for the fair market value of its services. No veterinarian is required to use VetSource to fill its prescriptions, and a veterinarian may choose to use his or her own stock or refer a pet parent to a different pharmacy at his or her convenience. Veterinary Customers set their own price that is charged a pet parent. VetSource does not pay its Veterinary Customers; rather, its Veterinary Customers pay VetSource. Neither VetSource nor the Veterinary Customer receives any monetary compensation related to the prescribing process, and the business transactions between the Veterinary Customer and VetSource do not involve proceeds being shared with the prescribing

veterinarian.<sup>6</sup> No kickbacks, rebates or bonuses are offered to those veterinarians who do use VetSource's services. The OGC's letter provides no factual basis for its conclusions regarding the purpose or effect of VetSource's business model.

Finally, VetSource has fielded similar complaints from state boards of pharmacy in seven other states, including California, Michigan, Minnesota, Oregon, Pennsylvania, Texas, Virginia and Wisconsin. Those boards of pharmacy have closed their investigations and found no violations of their respective antikickback laws.

In light of the above, VetSource respectfully requests the Board issue a declaratory order or an advisory opinion that VetSource's "outsourced hospital pharmacy service" business model complies with Nevada's pharmacy antikickback statute, NRS 639.264.

#### VI. REQUEST FOR HEARING

VetSource understands that it operates a relatively novel business model in the veterinary industry. Therefore, VetSource has described its business to the OGC and has provided some evidence in response to the OGC's prior questions. Prior to any action being taken that would affect its license, VetSource respectfully requests an opportunity to be heard before the full Board on these issues. VetSource additionally requests that it be allowed to present evidence of the propriety of its business model under Nevada statutes and regulations.

---

<sup>6</sup> By way of analogy, Veterinary Customers often use contracted outsourced reference laboratory services (e.g., blood panels, fecal panels, etc.) and subsequently charge pet owners for these tests. VetSource operates a similar business model.

Respectfully submitted this 12th day of March, 2015.

STRATEGIC PHARMACEUTICAL  
SOLUTIONS INC., d/b/a VETSOURCE,  
Petitioner

By: 

James D. Boyle  
James W. Puzey  
Holley Driggs Walch Puzey Thompson  
400 South Fourth Street, 3rd Floor  
Las Vegas, Nevada 89101  
(702) 791-0308

Kevin E. Burr  
Homero E. Vela  
Kutak Rock LLP  
1650 Farnam Street  
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**EXHIBIT E**

**EXHIBIT E**

**KUTAK ROCK LLP**

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March 12, 2015

**VIA E-MAIL (PEDWARDS@PHARMACY.NV.GOV)  
AND VIA FIRST CLASS MAIL**

S. Paul Edwards  
General Counsel  
Nevada State Board of Pharmacy  
Office of the General Counsel  
431 West Plumb Lane  
Reno, Nevada 89509

Re: Strategic Pharmaceuticals Solutions, Inc. (d/b/a VetSource)  
Outsourced Veterinary Hospital Pharmacy Service Letter

Dear Mr. Edwards:

Please allow this letter to respond to your February 27, 2015 correspondence, wherein you requested Strategic Pharmaceuticals Solutions, Inc. d/b/a VetSource ("VetSource") to "provide within 10 business days of receipt of this letter, written confirmation that VetSource has discontinued its outsourced hospital pharmacy service in Nevada." VetSource has been unable to locate any authority or Nevada State Board of Pharmacy (the "Board") action that would support your request and your letter identifies none.

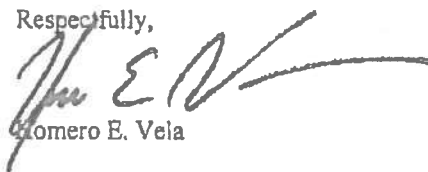
Given this ambiguity, VetSource seeks to obtain the Board's review and interpretation of applicable statutes, and to consider the issues you have raised based on a full evidentiary hearing. VetSource strongly believes in the propriety of its business model and in the unique advantages it provides to the pharmacy industry. Therefore, VetSource has filed the attached Petition for Declaratory Order or Advisory Opinion in order to clarify its business model to the full Board. It is our hope that by virtue of filing this Petition, the Board will be able to confirm VetSource's full compliance with Nevada pharmacy statutes and regulations and clarify that VetSource's conduct has been and remains compliant with Nevada law.

KUTAK ROCK LLP

S. Paul Edwards  
March 12, 2015  
Page 2

We would welcome the opportunity to discuss these matters with you in more detail, and provide additional evidence demonstrating VetSource's full compliance with Nevada law. Please contact us if you would like to discuss these issues.

Respectfully,

A handwritten signature in black ink, appearing to read "Romero E. Vela", with a long horizontal stroke extending to the right.

cc: Larry Pinson, Executive Secretary, Nevada State Board of Pharmacy;  
Debbie Machen, Executive Director, Nevada State Board of Veterinary Medical  
Examiners  
Kevin E. Burr, Esq.

Enclosure



# EXHIBIT F

# EXHIBIT F

**Vela, Homero E.**

---

**From:** Vela, Homero E.  
**Sent:** Tuesday, May 12, 2015 6:09 PM  
**To:** pedwards@pharmacy.nv.gov  
**Cc:** Burr, Kevin E.  
**Subject:** In re VetSource--Request to Hold Petition in Abeyance

Paul,

It was a pleasure meeting you. We believe the discussions held on April 30, 2015 were fruitful and provided a path towards resolution of the issues raised in VetSource's Petition for Declaratory Order or Advisory Opinion. As such, please consider this e-mail a formal request to hold that Petition in abeyance, pending VetSource's scheduled meetings with the Board of Pharmacy and Veterinary Medicine in July.

Please do not hesitate to contact me if you have any questions or concerns.

Thanks,

**Homero E. Vela\***

Kutak Rock LLP

The Omaha Building

1650 Farnam Street

Omaha, Nebraska 68102

402.346.6000 x1646

[homero.vela@kutakrock.com](mailto:homero.vela@kutakrock.com)

\*Admitted in Iowa and Nebraska

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# EXHIBIT G

# EXHIBIT G



NEVADA STATE BOARD OF PHARMACY

## OFFICE OF THE GENERAL COUNSEL

WRITER'S DIRECT DIAL: (775) 850-1440 • E-MAIL: PEDWARDS@PHARMACY.NV.GOV • FAX: (775) 850-1444

May 29, 2015

Strategic Pharmaceuticals Solutions, Inc., dba VetSource  
c/o Kevin E. Burr and Homero E. Vela  
1650 Farnam Street  
Omaha, NE 68102-2186

**RE: DEMAND TO CEASE AND DESIST KICKBACKS TO  
VETERINARY FACILITIES AND/OR PRESCRIBERS**

Dear Messrs. Burr and Vela:

I want to thank you and your clients for your time on various occasions to discuss VetSource and its business model with Board Staff. After reviewing again the relevant materials—including correspondence, VetSource's 'Business Model Overview' and the facts stated in VetSource's March 12, 2015 petition—and after considering our lengthy discussions during the April 30, 2015 meeting in Reno, it remains clear that VetSource has violated, and continues to violate, Nevada's anti-kickback statute, NRS 639.264. VetSource violates the statute by providing a method by which veterinary facilities and prescribers may benefit financially from individual prescriptions they refer to VetSource and that VetSource fills. Such financial benefits flowing from a pharmacy/pharmacist to a prescriber are unlawful. VetSource must cease and desist from that practice immediately.

As you are aware, it is unlawful for a pharmacy and/or pharmacist to offer, pay or deliver any financial consideration to anyone as an inducement to refer prescriptions to them. NRS 639.264(1) states:

No registered pharmacist, or owner of any pharmacy licensed under the provisions of this chapter, may offer, deliver or pay any unearned rebate, refund, commission, preference, patronage dividend, discount or other unearned consideration to any person, whether in the form of money or otherwise, as compensation or inducement to such person for referring prescriptions, patients, clients or customers to such pharmacist or pharmacy, irrespective of any membership, proprietary interest or co-ownership in or with any person by whom such prescriptions, patients, clients or customers are referred.

VetSource's business model violates the statute because it provides a means by which veterinary facilities and prescribers can receive financial consideration for steering prescriptions to VetSource to be filled. Notwithstanding the claim that each transaction involves three separate entities—VetSource Wholesale, the Veterinary Facility and VetSource Home Delivery—there is a clear, traceable channel by which a portion of the funds from each prescription VetSource dispenses may flow back to the VetSource-contracted entity or person that referred it. As VetSource explains in its Petition, when it processes a prescription order, it collects the "retail price" of the medication from the pet owner. VetSource deposits those funds into the veterinary facility's e-merchant account, and takes back only enough money to cover its "wholesale price," "fees and costs," which can be less than the amount it deposits. VetSource openly admits that any difference between the amount of funds it deposits in the account and the funds it takes out are available for the referring veterinary facility or prescriber to withdraw.

As a result, VetSource-contracted veterinary facilities and prescribers are financially incentivized to refer prescriptions to VetSource. The fact that the veterinary facility or prescriber can control the amount of the kickback is not dispositive. But for the referral—if the prescription was filled by any other pharmacy—VetSource would do nothing, including leave funds in the e-merchant account for the veterinary facility or prescriber to withdraw, regardless of the amount. Any funds VetSource leaves for anyone to collect are a clear kickback paid for the referral. That violates NRS 639.264.

The Board of Pharmacy does recognize that Nevada's veterinary regulations allow a veterinary facility to dispense *directly* to its own patients and benefit financially from those transactions. See NAC 638.0628 and NAC 638.0629. The plain language of those regulations make clear that the *dispensing* must be done *internally* by the veterinary facility and its veterinary staff. That is not what happens here. Under VetSource's model, VetSource, not the veterinary facility, dispenses the product to the pet owner. VetSource readily admits that in exchange for the wholesale price, costs and fees it collects, it *packages, labels, prepares for delivery and delivers* the medication to the pet owner. Those activities constitute dispensing under the express definition of the term "dispense" found at NRS 639.0065:

"Dispense" means to *deliver a controlled substance or dangerous drug to an ultimate user, patient or subject of research by or pursuant to the lawful order of a practitioner, including the prescribing by a practitioner, administering, packaging, labeling or compounding necessary to prepare the substance for that delivery.*

NRS 639.0065(1) (emphasis added). As the dispensing pharmacy, VetSource cannot lawfully provide a financial benefit to a veterinary facility or prescribers for referring prescriptions.

To be clear, this demand in no way impairs VetSource's right to practice pharmacy in a lawful manner. VetSource has a Nevada pharmacy license, and can continue to accept prescriptions from veterinary facilities and/or pet owners. It may fill those prescriptions and receive payment for the medications it dispenses. In short, it can be a pharmacy and operate within the full scope of its license in accordance with Nevada law. The scope of lawful pharmacy practice in Nevada, however, does not include providing kickbacks to anyone. VetSource must therefore terminate the practice of allowing veterinary facilities and prescribers to collect a portion of the funds it collects for the prescriptions it dispenses.

Please provide written confirmation within ten (10) calendar days that your client has ceased to violate Nevada law as described herein, and that it is in full compliance with applicable Nevada law in all respects. Any failure to comply may result in formal discipline of VetSource's license and the license(s) of any Nevada-licensed pharmacists involved in VetSource's unlawful practice.

Contact me if you have questions.

Best regards,

A handwritten signature in cursive script, appearing to read "S. Paul Edwards".

S. Paul Edwards  
General Counsel  
Nevada State Board of Pharmacy

cc: Larry Pinson, Executive Director, Nevada State Board of Pharmacy;  
J. David Wuest, Deputy Executive Director, Nevada State Board of Pharmacy

**EXHIBIT H**

**EXHIBIT H**

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June 8, 2015

**VIA E-MAIL (PEDWARDS@PHARMACY.NV.GOV)  
AND VIA FIRST-CLASS MAIL**

S. Paul Edwards, Esq.  
General Counsel  
Nevada State Board of Pharmacy  
Office of the General Counsel  
431 West Plumb Lane  
Reno, Nevada 89509

Re: Strategic Pharmaceuticals Solutions, Inc. (d/b/a VetSource)  
Response to Cease and Desist Letter Dated May 29, 2015

Dear Mr. Edwards:

Please allow this letter to respond to your May 29, 2015 correspondence, wherein you requested confirmation that Strategic Pharmaceuticals Solutions, Inc. d/b/a VetSource ("VetSource") has "ceased to violate [sic] Nevada law as described herein, and is in full compliance with applicable Nevada law in all respects."

As we explained in our telephone conference on February 9, 2015, and again by letter dated February 9, 2015, VetSource maintains that it is in full compliance with the laws of the State of Nevada. VetSource has cooperated with, and will continue to cooperate with, the Nevada Board of Pharmacy (the "Board") to resolve this matter in a nonadversarial manner if at all possible.

As you are aware, after VetSource submitted its Petition for Declaratory Order or Advisory Opinion on March 12, 2015, the Board entertained a request for informal discussions, which were held on April 30, 2015. After productive discussions were held, VetSource remained optimistic that a regulatory solution would be possible without disrupting VetSource's business in Nevada. As such, VetSource agreed to hold its Petition in abeyance. It was suggested during the April 30th, 2015 meeting that VetSource attend the July meetings of both the Nevada Board of Pharmacy and the Nevada State Board of Veterinary Medical Examiners. This approach would have afforded the opportunity for VetSource to provide additional evidence that VetSource is fully compliant with Nevada law; as such, VetSource had already initiated contact with the Boards to arrange to appear at the July meetings. Given the



KUTAK ROCK LLP

S. Paul Edwards, Esq.  
June 8, 2015  
Page 2

above, the receipt of the Board's May 29, 2015 cease-and-desist letter was unexpected and disappointing.

Once again, VetSource is confident that it remains in full compliance with Nevada law and that its business model not only provides a valuable service to veterinarians, but also raises the ethical bar for both veterinarians and pharmacists, including eliminating the dangers of grey market veterinary pharmaceutical sales. Furthermore, VetSource believes that the comprehensive examination of the available evidence will achieve consensus that VetSource is upholding its resolute intention to fully comply with Nevada law.

We welcome any opportunities to provide additional substantiation of our position. Please contact me if you have any suggestions or questions.

Respectfully,

A handwritten signature in black ink, appearing to read 'Homero E. Vela', with a long horizontal flourish extending to the right.

Homero E. Vela

cc: Larry Pinson, Executive Secretary, Nevada State Board of Pharmacy;  
Debbie Machen, Executive Director, Nevada State Board of Veterinary Medical  
Examiners  
Kevin E. Burr, Esq.

# EXHIBIT I

# EXHIBIT I

FILED

JUN 18 2015

BEFORE THE NEVADA STATE BOARD OF PHARMACY

NEVADA STATE BOARD  
OF PHARMACY

NEVADA STATE BOARD OF PHARMACY,

Petitioner,

v.

STRATEGIC PHARMACEUTICALS  
SOLUTIONS, INC., d/b/a VETSOURCE  
HOME DELIVERY, Certificate of Registration  
No. PH02320,

Respondent.

CASE NO. 15-042-PH-O

NOTICE OF INTENDED  
ACTION AND ACCUSATION

Larry L. Pinson, in his official capacity as Executive Secretary of the Nevada State Board of Pharmacy, makes the following that will serve as both a notice of intended action under Nevada Revised Statutes (NRS) 233B.127(3), and as an accusation under NRS 639.241.

I.

The Nevada State Board of Pharmacy (Board) has jurisdiction over this matter because at the time of the events alleged herein, Respondent Strategic Pharmaceuticals Solutions, Inc., doing business in Nevada as VetSource Home Delivery, Certificate of Registration No. PH02320 (VetSource), was an out-of-state pharmacy registered with the Board.

FACTUAL ALLEGATIONS

II.

In January 2015, Board Staff became aware that VetSource, located in Portland, Oregon, is engaged in a business practice in Nevada wherein it provides Nevada veterinary facilities financial benefits and other consideration for referring prescriptions to it to be filled.

III.

Upon learning of VetSource's business practice, Board Staff exchanged correspondence with and met with VetSource representatives and its counsel regarding VetSource's historical and on-going violations of NRS 639.264—Nevada's anti-kickback statute.

IV.

Board Staff's communications with VetSource include a letter dated February 27, 2015, informing VetSource that it is operating in violation of NRS 639.264, and advising VetSource to stop its practice of allowing veterinary facilities to profit from the prescriptions they refer.

V.

In response to Board Staff's communications, VetSource representatives, through legal counsel, have explained VetSource's business model with particularity.

VI.

Through written and verbal communications, VetSource has explained that its transactions involve three VetSource-related entities: (1) *VetSource Wholesale*, a Nevada-licensed wholesaler, (2) *VetSource-contracted veterinary facilities*, which are veterinary facilities in Nevada that have signed contracts with VetSource, and (3) respondent *VetSource Home Delivery*, a Nevada-licensed pharmacy.

VII.

VetSource's representatives describe the dispensing process for prescriptions referred by VetSource-contracted veterinary facilities—which it calls “Veterinary Customers”—as follows:

First, upon receiving a wholesale request from a Veterinary Customer to process a transaction, VetSource Wholesale sells the product, wholesale, to the Veterinary Customer under Nevada Board of Pharmacy Wholesale License Number WH0149 . . . . The Veterinary Customer takes title to the drug, but *not physical possession*.

Second, the Veterinary Customer then sells the product to the pet owner at a retail price set by the Veterinary Customer. The product is then consigned by the Veterinary Customer to VetSource Home Delivery for processing under Nevada Board of Pharmacy License Number PH02320.

At the direction of the Veterinary Customer, VetSource Home Delivery then *mails the prescription [medication] to the pet owner directly* . . . .

3/12/15 Petition for Declaratory Order or Advisory Opinion Regarding the Outsourced Hospital Pharmacy Service Business Model (Petition), ¶¶19-21 (emphasis added).

### VIII.

In further explanation of this dispensing process, VetSource states:

The Veterinary Customer provides a lawful prescription, which it then directs VetSource to package, label, and prepare for delivery. The Veterinary Customer then directs VetSource to deliver the "controlled substance or dangerous drug to an ultimate use."

Petition, pg. 11 (emphasis added).

### IX.

Despite admitting that it packages, labels, prepares for delivery and delivers prescription medications directly to pet owners under authority of its Nevada pharmacy license, VetSource professes to do no dispensing under the guise that each VetSource-contracted veterinary facility directs and maintains responsibility for the dispensing process, and is thus the dispenser.

### X.

VetSource employs no veterinarians, veterinary technicians or veterinary technicians in training.

### XI.

VetSource further explains the process by which funds from the sale of each prescription it fills flow from the pet owner, through the VetSource-related entities, to the referring veterinary facility. Those funds can exceed what VetSource collects, often leaving funds for the veterinary facility to collect as profit for referring prescriptions to VetSource:

- When the retail price of the prescription drug, other fees and taxes, and associated charges are captured from the pet owner's credit card, the entire sum of the retail transaction is collected by VetSource and deposited into the Veterinary Customer's e-Merchant account.
- The pet owner is then charged the retail price of the drug set by the Veterinary Customer. The Veterinary Customer has sole control over the retail price it would like to charge the pet owner.

- the Veterinary Customer authorizes *VetSource* to collect the retail price on its behalf. The Veterinary Customer authorizes *VetSource* to deduct amounts owed to *VetSource* from the retail amount.
- After each transaction is settled, *any remaining funds* are available in the Veterinary Customer's e-Merchant account *until withdrawn by the Veterinary Customer* upon its request or a predetermined date.

Petition, ¶22 (emphasis added).

## XII.

Any monies that *VetSource* deposits in a veterinary facility's e-Merchant account, and leaves in the account for the veterinary facility to collect as profit, constitute an unearned rebate, refund, commission, preference, patronage dividend, discount or other unearned consideration offered, delivered or paid by *VetSource* to the veterinary facility.

## XIII.

By engaging in the business model described above, *VetSource* has, and is, incentivizing veterinary facilities and prescribers to refer or otherwise direct prescriptions to it for filling by offering, delivering and/or paying an unearned financial benefit or other consideration as compensation or inducement to refer said prescriptions, patients and/or clients.

## XIV.

On or about May 29, 2015, after discussing the issue with *VetSource*'s representatives and counsel on numerous occasions, Board Staff issued a letter demanding that *VetSource* cease to provide financial benefits and other consideration for referrals.

## XV.

*VetSource* has not complied with Board Staff's May 29, 2015 order. It continues to engage in the business model described above.

## APPLICABLE LAW

### XVI.

#### **NRS 639.264 Rebates, refunds and commissions.**

1. No registered pharmacist, or owner of any pharmacy licensed under the provisions of this chapter, may offer, deliver or pay any unearned rebate, refund, commission, preference, patronage dividend, discount or other unearned consideration to any person, whether in the form of money or otherwise, as compensation or inducement to such person for referring prescriptions, patients, clients or customers to such pharmacist or pharmacy, irrespective of any membership, proprietary interest or co-ownership in or with any person by whom such prescriptions, patients, clients or customers are referred.

2. The furnishing to a practitioner by a pharmacist or a pharmacy of prescription blanks bearing the name or name and address of any pharmacy is an unearned rebate and an inducement to refer patients to such pharmacist or pharmacy.

### XVII.

#### **NRS 639.0065 "Dispense" defined.**

1. "Dispense" means to deliver a controlled substance or dangerous drug to an ultimate user, patient or subject of research by or pursuant to the lawful order of a practitioner, including the prescribing by a practitioner, administering, packaging, labeling or compounding necessary to prepare the substance for that delivery.

2. The term does not include the furnishing of a controlled substance by a hospital pharmacy for inpatients.

## FIRST CAUSE OF ACTION

### XVIII.

By offering, delivering and/or paying financial benefits and other consideration to veterinary facilities and prescribers for referring prescriptions, patients, clients and/or customers to it, VetSource has violated, and continues to violate, NRS 639.264(1), which violations are grounds for action pursuant to NRS 639.210(4), (11) and/or (12), and NRS 639.255.

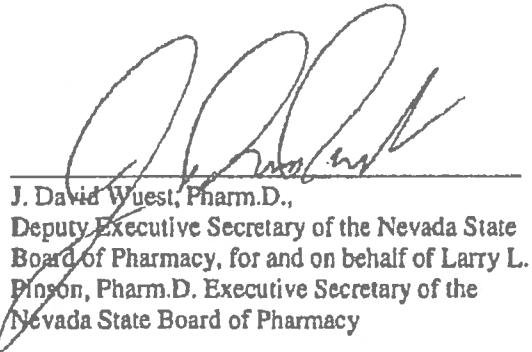
**SECOND CAUSE OF ACTION**

**XIX.**

By failing to comply with Board Staff's March 29, 2015 cease and desist order and continuing to violate NRS 639.264(1), as alleged herein, VetSource is guilty of unprofessional conduct as defined in NAC 639.945(1), which violations are grounds for discipline pursuant to NRS 639.210(4) and/or NRS 639.255.

Wherefore, it is requested that the Nevada State Board of Pharmacy take appropriate disciplinary action with respect to the certificate of registration of this respondent.

Signed this 16<sup>th</sup> day of June, 2015.



J. David Wuest, Pharm.D.,  
Deputy Executive Secretary of the Nevada State  
Board of Pharmacy, for and on behalf of Larry L.  
Pinson, Pharm.D. Executive Secretary of the  
Nevada State Board of Pharmacy

**NOTICE TO RESPONDENT**

You have the right to show the Nevada State Board of Pharmacy that your conduct, as alleged above, complies with all lawful requirements regarding your certificate of registration. To do so, you must mail to the Board within 15 days of your receipt of this Notice of Intended Action and Accusation a written statement showing your compliance.



**BEFORE THE NEVADA STATE BOARD OF PHARMACY**

<b>NEVADA STATE BOARD OF PHARMACY,</b>	)	<b>CASE NO. 15-042-PH-O</b>
	)	
<b>Petitioner,</b>	)	
<b>v.</b>	)	<b>STATEMENT TO THE</b>
	)	<b>RESPONDENT NOTICE</b>
<b>STRATEGIC PHARMACEUTICALS</b>	)	<b>OF INTENDED ACTION</b>
<b>SOLUTIONS, INC., d/b/a VETSOURCE</b>	)	<b>AND ACCUSATION</b>
<b>HOME DELIVERY, Certificate of Registration</b>	)	<b>RIGHT TO HEARING</b>
<b>No. PH02320,</b>	)	
	)	
<b>Respondent.</b>	/	

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**TO THE RESPONDENT ABOVE-NAMED: PLEASE TAKE NOTICE THAT:**

**I.**

Pursuant to the authority and jurisdiction conferred upon the Nevada State Board of Pharmacy by NRS 639.241 to NRS 639.2576, inclusive, and NRS chapter 233B, a Notice of Intended Action and Accusation has been filed with the Board by the Petitioner, Larry L. Pinson, Executive Secretary for the Board, alleging grounds for imposition of disciplinary action by the Board against you, as is more fully explained and set forth in the Notice of Intended Action and Accusation served herewith and hereby incorporated reference herein.

**II.**

You have the right to a hearing before the Nevada State Board of Pharmacy to answer the Notice of Intended Action and Accusation and present evidence and argument on all issues involved, either personally or through counsel. It is required that you complete two copies of the Answer and Notice of Defense documents served herewith and file said copies with the Nevada State Board of Pharmacy within fifteen (15) days of receipt of this Statement and Notice, and of the Notice of Intended Action and Accusation served within.

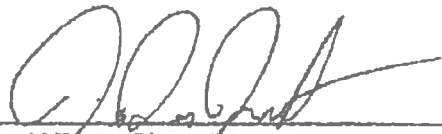
**III.**

The Board has reserved Wednesday, July 22, 2015, as the date for a hearing on this matter at the Hilton Garden Inn, 7830 S. Las Vegas Blvd., Las Vegas, Nevada. The hour of the hearing will be set by letter to follow.

IV.

Failure to complete and file your Notice of Defense with the Board and thereby request a hearing within the time allowed shall constitute a waiver of your right to a hearing in this matter and give cause for the entering of your default to the Notice of Intended Action and Accusation filed herein, unless the Board, in its sole discretion, elects to grant or hold a hearing nonetheless.

DATED this 18<sup>th</sup> day of June, 2015.

  
\_\_\_\_\_  
J. David Wuest, Pharm.D.,  
Deputy Executive Secretary of the Nevada State  
Board of Pharmacy, for and on behalf of Larry L.  
Pinson, Pharm.D., Executive Secretary of the  
Nevada State Board of Pharmacy

BEFORE THE NEVADA STATE BOARD OF PHARMACY

NEVADA STATE BOARD OF PHARMACY,	)	CASE NO. 15-042-PH-O
	)	
Petitioner,	)	
v.	)	ANSWER AND
	)	NOTICE OF DEFENSE
STRATEGIC PHARMACEUTICALS	)	
SOLUTIONS, INC., d/b/a VETSOURCE	)	
HOME DELIVERY, Certificate of Registration	)	
No. PH02320,	)	
	)	
Respondent.	/	

Respondent above named, in answer to the Notice of Intended Action and Accusation filed in the above-entitled matter before the Nevada State Board of Pharmacy, declares:

1. That his objection to the Notice of Intended Action and Accusation as being incomplete or failing to state clearly the charges against him, is hereby interposed on the following grounds: (State specific objections or insert "none").

2. That, in answer to the Notice of Intended Action and Accusation, respondent admits,

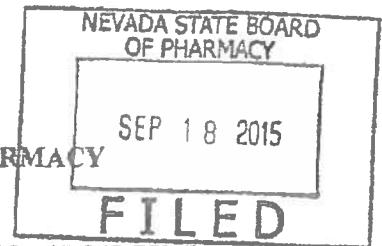
DATED this \_\_\_\_ day of \_\_\_\_\_, 2015.

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# EXHIBIT J

# EXHIBIT J

BEFORE THE NEVADA STATE BOARD OF PHARMACY



NEVADA STATE BOARD OF PHARMACY, )  
)  
Petitioner, )  
v. )  
)  
STRATEGIC PHARMACEUTICALS )  
SOLUTIONS, INC., d/b/a VETSOURCE )  
HOME DELIVERY, Certificate of Registration )  
No. PH02320, )  
)  
Respondent. /

CASE NO. 15-042-PH-0

AMENDED NOTICE OF  
INTENDED ACTION AND  
ACCUSATION

Larry L. Pinson, in his official capacity as Executive Secretary of the Nevada State Board of Pharmacy, makes the following that will serve as both a notice of intended action under Nevada Revised Statutes (NRS) 233B.127(3), and as an accusation under NRS 639.241.

I.

The Nevada State Board of Pharmacy (Board) has jurisdiction over this matter because at the time of the events alleged herein, Respondent Strategic Pharmaceuticals Solutions, Inc., doing business in Nevada as VetSource Home Delivery, Certificate of Registration No. PH02320 (VetSource), was an out-of-state pharmacy registered with the Board.

FACTUAL ALLEGATIONS

II.

In January 2015, Board Staff became aware that VetSource, located in Portland, Oregon, is engaged in a business practice in Nevada wherein it provides to Nevada veterinary facilities and veterinarians unlawful financial benefits and/or other consideration or remuneration for referring or otherwise directing prescriptions to VetSource to be filled.

III.

Upon learning of VetSource's business practice, Board Staff exchanged correspondence with and met with VetSource representatives and its counsel regarding VetSource's historical

and on-going violations of NRS 639.264—Nevada’s anti-kickback statute, as well as other Nevada statutes and regulations.

IV.

Board Staff’s communications with VetSource include a letter dated February 27, 2015, informing VetSource that it is operating in violation of NRS 639.264, and advising VetSource to stop its practice of allowing veterinary facilities to profit from the prescriptions they refer.

V.

In response to Board Staff’s communications, VetSource representatives, through legal counsel, have explained VetSource’s business model with particularity.

VI.

Through written and verbal communications, VetSource has explained that its transactions involve three VetSource-related entities: (1) *VetSource Wholesale*, a Nevada-licensed wholesaler, (2) *VetSource-contracted veterinary facilities*—it calls them “Veterinary Customers”—which are veterinary facilities in Nevada that have signed contracts with VetSource, and (3) respondent *VetSource Home Delivery*, a Nevada-licensed pharmacy.

VII.

VetSource’s representatives describe the dispensing process for prescriptions referred or directed to VetSource by its “Veterinary Customers” and their veterinarians as follows:

First, upon receiving a wholesale request from a Veterinary Customer to process a transaction, VetSource Wholesale sells the product, wholesale, to the Veterinary Customer under Nevada Board of Pharmacy Wholesale License Number WH0149 . . . . The Veterinary Customer takes title to the drug, but not physical possession.

Second, the Veterinary Customer then sells the product to the pet owner at a retail price set by the Veterinary Customer. The product is then consigned by the Veterinary Customer to VetSource Home Delivery for processing under Nevada Board of Pharmacy License Number PH02320.

At the direction of the Veterinary Customer, VetSource Home Delivery then *mails the prescription [medication] to the pet owner* directly . . . .

3/12/15 Petition for Declaratory Order or Advisory Opinion Regarding the Outsourced Hospital Pharmacy Service Business Model (Petition), ¶¶ 19-21 (emphasis added).

#### VIII.

In further explanation of this dispensing process, VetSource states:

The Veterinary Customer provides a lawful prescription, which it then directs VetSource to package, label, and prepare for delivery. The Veterinary Customer then directs VetSource to deliver the “controlled substance or dangerous drug to an ultimate use.”

Petition, pg. 11 (emphasis added).

#### IX.

Even though VetSource admits that it *packages, labels, prepares for delivery and delivers* prescription medications directly to pet owners under authority of its Nevada pharmacy license, it *professes to do no dispensing*. It maintains that it is what it calls an “outsourced pharmacy service” for veterinary dispensing. Answer, pg. 3-4. It purports to contract with each of its “Veterinary Customers” and their veterinarian to dispense medication that belongs to the Veterinary Customer and veterinarian. *Id.* The dispensing veterinarian at each Veterinary Customer’s facility *never takes physical possession or control of the medication*, but purportedly maintains direct control over the medication, and directs and maintains responsibility for the dispensing process. *Id.* Per its own explanation, “VetSource is physically packaging, labeling, and delivering the drug/product to the pet owner as a service for the veterinarian.” *Id.* at pg. 4. “[T]he veterinarian is financially responsible for the retail transaction between the veterinarian and the pet owner in exactly the same manner as if the veterinarian had sold the item from the veterinarian’s ‘in-house’ stock”. *Id.*

#### X.

VetSource employs no veterinarians, veterinary technicians or veterinary technicians in training. Only VetSource personnel possess, have access to, order and dispense the medication.



## XI.

VetSource further explains the process by which funds from the sale of each prescription it dispenses flow from the pet owner, through the VetSource-related entities, to the referring veterinary facility and/or veterinarian's account. Notably, those funds *can exceed what VetSource collects*, often leaving *funds for the veterinary facility and veterinarian to collect* as profit for directing prescriptions to VetSource:

- When the retail price of the prescription drug, other fees and taxes, and associated charges are captured from the pet owner's credit card, the entire sum of the retail transaction is *collected by VetSource and deposited into the Veterinary Customer's e-Merchant account*.
- The pet owner is then charged the retail price of the drug set by the Veterinary Customer. The Veterinary Customer has sole control over the retail price it would like to charge the pet owner.
- . . . the Veterinary Customer authorizes *VetSource to collect the retail price* on its behalf. The Veterinary Customer *authorizes VetSource to deduct amounts owed* to VetSource from the retail amount.
- After each transaction is settled, *any remaining funds* are available in the Veterinary Customer's e-Merchant account *until withdrawn by the Veterinary Customer* upon its request or a predetermined date.

Petition, ¶22 (emphasis added).

## XII.

Any monies that VetSource deposits in a veterinary facility's or veterinarian's e-Merchant account, and leaves in the account for the veterinary facility or veterinarian to collect as profit, constitute an unearned rebate, refund, commission, preference, patronage dividend, discount or other unearned consideration offered, delivered or paid by VetSource to the veterinary facility or veterinarian.

## XIII.

By engaging in the business model described above, VetSource has, and is, incentivizing

veterinary facilities and veterinarians to refer or otherwise direct prescriptions to it for filling by offering, delivering and/or paying an unearned and unlawful financial benefit or other consideration or remuneration as compensation or inducement to refer said prescriptions, patients and/or clients.

XIV.

On or about May 29, 2015, after discussing the issue with VetSource's representatives and counsel on numerous occasions, Board Staff issued a letter demanding that VetSource cease and desist from providing financial benefits and other consideration for prescriptions.

XV.

VetSource has not complied with Board Staff's May 29, 2015 order. It continues to engage in the business model described above.

**APPLICABLE LAW**

XVI.

*See Addendum A*, attached hereto and incorporated herein by reference thereto.

**FIRST CAUSE OF ACTION**

XVII.

By offering, delivering and/or paying financial benefits and other consideration or remuneration to veterinary facilities and veterinary prescribers for referring or directing prescriptions, patients, clients and/or customers to it, VetSource has violated, and continues to violate, NRS 639.264(1), which violations are grounds for action pursuant to NRS 639.210(4), (11) and/or (12), and NRS 639.255.

**SECOND CAUSE OF ACTION**

XIII.

By unlawfully preparing for dispensing and actually dispensing dangerous drugs and/or controlled substances that belong to a veterinary facility and/or veterinary dispensing practitioner from an off-site location that is not at that veterinarian's veterinary facility, and where no

veterinarian, veterinary technician or veterinary technician in training or other dispensing practitioner is (1) present, (2) has physical possession of the medication, (3) prepares the medication for dispensing, (4) dispenses the medication personally to the patient at the practitioner's facility, (5) physically secures the medication, and/or (6) verifies the medication ordered and received by VetSource, VetSource is guilty of aiding, assisting or abetting veterinarians and veterinary facilitates in unlawful activities (*see* NAC 638.0628, NAC 638.0629 and NAC 639.742 through 639.745), and is therefore guilty of unprofessional conduct under NAC 639.945. Accordingly, VetSource is subject to discipline pursuant to NRS 639.210(4) and (12) and/or NRS 639.255.

### THIRD CAUSE OF ACTION

#### XIX.

By failing to comply with Board Staff's March 29, 2015 cease and desist order and continuing to violate NRS 639.264(1), as alleged herein, VetSource is guilty of unprofessional conduct as defined in NAC 639.945(1), which violations are grounds for discipline pursuant to NRS 639.210(4) and/or NRS 639.255.

Wherefore, it is requested that the Nevada State Board of Pharmacy take appropriate disciplinary action with respect to the certificate of registration of this respondent.

Signed this 18<sup>th</sup> day of September, 2015.

  
Larry L. Pinson, Pharm.D. Executive Secretary of  
the Nevada State Board of Pharmacy

### NOTICE TO RESPONDENT

You have the right to show the Nevada State Board of Pharmacy that your conduct, as alleged above, complies with all lawful requirements regarding your certificate of registration. To do so, you must mail to the Board within 15 days of your receipt of this Notice of Intended Action and Accusation a written statement showing your compliance.

**ADDENDUM A**  
**(Relevant Substantive Statutes and Regulations.)**

**I. RELEVANT PHARMACY STATUTES AND REGULATIONS**

**NRS 639.0065 "Dispense" defined.**

1. "Dispense" means to deliver a controlled substance or dangerous drug to an ultimate user, patient or subject of research by or pursuant to the lawful order of a practitioner, including the prescribing by a practitioner, administering, packaging, labeling or compounding necessary to prepare the substance for that delivery.

2. The term does not include the furnishing of a controlled substance by a hospital pharmacy for inpatients.

**NRS 639.264 Rebates, refunds and commissions.**

1. No registered pharmacist, or owner of any pharmacy licensed under the provisions of this chapter, may offer, deliver or pay any unearned rebate, refund, commission, preference, patronage dividend, discount or other unearned consideration to any person, whether in the form of money or otherwise, as compensation or inducement to such person for referring prescriptions, patients, clients or customers to such pharmacist or pharmacy, irrespective of any membership, proprietary interest or co-ownership in or with any person by whom such prescriptions, patients, clients or customers are referred.

2. The furnishing to a practitioner by a pharmacist or a pharmacy of prescription blanks bearing the name or name and address of any pharmacy is an unearned rebate and an inducement to refer patients to such pharmacist or pharmacy.

**NAC 639.742 Dispensing of controlled substances or dangerous drugs: Application by practitioner for certificate of registration; application by facility required under certain circumstances; duties of dispensing practitioner and facility relating to drugs; authority of dispensing practitioner and technician.**

1. A practitioner who wishes to dispense controlled substances or dangerous drugs must apply to the Board on an application provided by the Board for a certificate of registration to dispense controlled substances or dangerous drugs. A practitioner must submit a separate application for each site of practice, including,

without limitation, a remote site, from which the practitioner wishes to dispense controlled substances or dangerous drugs. A certificate of registration to dispense controlled substances or dangerous drugs is a revocable privilege, and no holder of such a certificate of registration acquires any vested right therein or thereunder.

2. If a facility from which the practitioner intends to dispense dangerous drugs or controlled substances is not wholly owned and operated by the practitioner, the owner or owners of the facility must also submit an application to the Board on a form provided by the Board.

3. Except as otherwise provided in NRS 639.23277 and NAC 639.395, the dispensing practitioner and, if applicable, the owner or owners of the facility, shall ensure that:

- (a) All drugs are ordered by the dispensing practitioner;
- (b) All drugs are received and accounted for by the dispensing practitioner;
- (c) All drugs are stored in a secure, locked room or cabinet to which the dispensing practitioner has the only key or lock combination;
- (d) All drugs are dispensed in accordance with NAC 639.745;
- (e) No prescription is dispensed to a patient unless the dispensing practitioner is on-site at the facility;
- (f) All drugs are dispensed only to the patient personally at the facility;
- (g) The price of each drug dispensed to a patient is separately itemized on any bill or statement provided to the patient;
- (h) All drugs are dispensed only for medically necessary purposes and according to prevailing standards of care for practitioners practicing in the specialty claimed or practiced by the dispensing practitioner; and
- (i) The certificate for each dispensing technician employed at the facility is displayed in the room or cabinet in which drugs are stored.

4. With regard to the filling and dispensing of a prescription at a facility, only the dispensing practitioner or a dispensing technician may:

- (a) Enter the room or cabinet in which drugs are stored;
- (b) Remove drugs from stock;
- (c) Count, pour or reconstitute drugs;
- (d) Place drugs into containers;
- (e) Produce and affix appropriate labels to containers that contain or will contain drugs;
- (f) Fill containers for later use in dispensing drugs; or
- (g) Package or repackage drugs.

5. A dispensing practitioner may compound drug products if he or she complies with the provisions of NAC 639.661 to 639.690, inclusive, as if:

- (a) He or she were a pharmacist;
- (b) His or her practice site was a pharmacy; and
- (c) Any dispensing technician involved in the compounding was a pharmaceutical technician.

## II. RELEVANT VETERINARY DISPENSING REGULATIONS

**NAC 638.0628 Controlled substances: Requirements for registration; limitations on possession, administration, prescribing and dispensing; maintenance of stock; recordkeeping; maintenance and inspection of records.**

1. A veterinary facility at which controlled substances are possessed, administered, prescribed or dispensed shall ensure that one or more veterinarians who practice at that veterinary facility register and maintain a registration with the Drug Enforcement Administration of the United States Department of Justice and the State Board of Pharmacy. The certificates of registration with each agency must be available for inspection at the veterinary facility.

2. A veterinarian who is not registered with the Drug Enforcement Administration of the United States Department of Justice and the State Board of Pharmacy as described in subsection 1 may possess, administer, prescribe or dispense a controlled substance at a veterinary facility if the veterinarian:

(a) Is an employee or agent of the veterinarian who is registered pursuant to subsection 1;

(b) Practices in the same veterinary facility as the veterinarian who is registered pursuant to subsection 1;

(c) Possesses, administers, prescribes or dispenses the controlled substance in the normal course of his or her employment; and

(d) Complies with all the requirements and duties prescribed by law relating to the possession, administration, prescribing and dispensing of a prescription drug.

3. A veterinary facility which maintains a stock of controlled substances for administration or dispensing shall:

(a) Secure the stock of controlled substances in a locked container that is:

(1) Affixed to the structure and located within a locked room; or

(2) Located within a second locked container which is affixed to the structure.

(b) Ensure that only a veterinarian or a veterinary technician designated by the veterinarian has the keys or combination to unlock the two separate locks at the start of a business day or beginning of a shift, if the veterinary facility has veterinarians on successive shifts.

(c) Restrict access to the controlled substances to veterinarians or veterinary technicians only.

(d) Ensure that each veterinarian or veterinary technician who accesses the secure container which stores controlled substances records in a log:

(1) The name of the veterinarian or veterinary technician who accessed the secure container and the date that he or she accessed the secure container.

(2) The name, strength and quantity of the controlled substance removed from or placed into the secure container and the total amount of all

quantities of that particular controlled substance remaining inside the secure container.

(e) Ensure that a veterinarian who intends to destroy an unused portion of a controlled substance records in a log the name and quantity of the controlled substance that will be destroyed and the date and time that the controlled substance will be destroyed. An entry made pursuant to this paragraph must be verified by an employee of the veterinary facility.

(f) Ensure that the purchasing, storage and recordkeeping of controlled substances comply with all applicable state and federal laws.

(g) Ensure that any controlled substance is purchased by a veterinarian or with the knowledge of a veterinarian and that all controlled substances received by the veterinary facility are verified by a veterinarian or with the knowledge of a veterinarian.

(h) Maintain separate files for the records of the purchase of each controlled substance listed in schedule II of controlled substances in NAC 453.520 and records of the dispensing of each controlled substance listed in schedule II of controlled substances in NAC 453.520.

4. Any record made pursuant to this section must be maintained for at least 4 years and must be available for inspection by the Board or its representative, the State Board of Pharmacy or its representative or any authorized federal, state or local regulatory agency or law enforcement agency.

**NAC 638.0629 Prescription drugs: Requirements for registration; limitations on dispensing; recordkeeping; labeling of vials or containers; maintenance of stock; maintenance and inspection of records.**

1. A veterinary facility that dispenses prescription drugs:

(a) Shall ensure that at least one veterinarian who practices at that veterinary facility registers and maintains a registration with the Drug Enforcement Administration of the United States Department of Justice and the State Board of Pharmacy pursuant to NAC 638.0628.

(b) Except as otherwise provided in paragraph (c), may allow only veterinarians, veterinary technicians or veterinary technicians in training at that veterinary facility to prepare a prescription drug for dispensing.

(c) May allow veterinary assistants at that facility to prepare a prescription drug, other than a controlled substance, for dispensing.

(d) Shall ensure that a prescription drug which is new for an animal is not dispensed unless a veterinarian or veterinary technician is at the veterinary facility or is otherwise available at the time the prescription drug is dispensed.

(e) Shall ensure that a notation is made in the medical record of the animal that contains:

- (1) The name, strength and quantity of the prescription drug.
- (2) The date the prescription drug was prescribed and dispensed.
- (3) The directions for use.

(4) The name, signature or initials of the veterinarian who prescribed the prescription drug.

(5) The name, signature or initials of the veterinarian, veterinary technician or veterinary technician in training who prepared the prescription drug for dispensing.

(6) The name, signature or initials of the veterinarian or veterinary technician who verified the prescription drug before the prescription drug was dispensed.

(f) Shall ensure that each vial or container which contains a prescription drug has affixed to the vial or container a label that contains:

(1) Except as otherwise provided in subsection 2, the name or unique identifier of the animal and the name of the owner of the animal for which the prescription drug is prescribed.

(2) The name, strength and quantity of the prescription drug.

(3) The date the prescription drug was dispensed.

(4) The name of the veterinarian who prescribed the prescription drug.

(5) The expiration date of the prescription drug.

(6) A unique number identifying the prescription.

(7) The directions for use.

(g) Shall maintain a stock of prescription drugs necessary to serve the foreseeable needs of the veterinary practice.

(h) Shall ensure that drugs which are inappropriate or unlawful to the practice of veterinary medicine are not ordered or maintained in the stock of prescription drugs of the veterinary facility.

2. A label affixed to a vial or container that contains a prescription drug may contain a generic identifier for a group of animals of the same species in place of the name or unique identifier of one animal if:

(a) The group of animals identified on the label is owned by the same person;

(b) The prescription drug is dispensed for more than one of the animals in the group; and

(c) The directions for use of the prescription drug are the same for each animal in the group for which the prescription drug is dispensed.

3. The authorization to possess a prescription drug is not transferable upon the sale or other transfer of the animal or animals for which the prescription drug was dispensed.

4. Any record made pursuant to this section must be maintained for at least 4 years and must be available for inspection by the Board or its representative, the State Board of Pharmacy or its representative or any authorized federal, state or local regulatory or law enforcement agency.



BEFORE THE NEVADA STATE BOARD OF PHARMACY

NEVADA STATE BOARD OF PHARMACY,

Petitioner,

v.

STRATEGIC PHARMACEUTICALS  
SOLUTIONS, INC., d/b/a VETSOURCE  
HOME DELIVERY, Certificate of Registration  
No. PH02320,

Respondent.

CASE NO. 15-042-PH-O

ANSWER AND  
NOTICE OF DEFENSE

Respondent above named, in answer to the Notice of Intended Action and Accusation filed in the above-entitled matter before the Nevada State Board of Pharmacy, declares:

1. That his objection to the Notice of Intended Action and Accusation as being incomplete or failing to state clearly the charges against him, is hereby interposed on the following grounds: (State specific objections or insert "none").

2. That, in answer to the Notice of Intended Action and Accusation, respondent admits, denies and alleges as follows:

I hereby declare, under penalty of perjury, that the foregoing Answer and Notice of Defense, and all facts therein stated, are true and correct to the best of my knowledge.

DATED this \_\_\_\_ day of \_\_\_\_\_, 2015.

\_\_\_\_\_  
AUTHORIZED REPRESENTATIVE OF  
STRATEGIC PHARMACEUTICALS  
SOLUTIONS, INC., D/B/A VETSOURCE HOME  
DELIVERY

BEFORE THE NEVADA STATE BOARD OF PHARMACY

NEVADA STATE BOARD OF PHARMACY,	)	CASE NO. 15-042-PH-O
	)	
Petitioner,	)	STATEMENT TO THE
v.	)	RESPONDENT NOTICE
	)	OF INTENDED ACTION
STRATEGIC PHARMACEUTICALS	)	AND ACCUSATION
SOLUTIONS, INC., d/b/a VETSOURCE	)	RIGHT TO HEARING
HOME DELIVERY, Certificate of Registration	)	
No. PH02320,	)	
	/	
Respondent.		

TO THE RESPONDENT ABOVE-NAMED: PLEASE TAKE NOTICE THAT:

I.

Pursuant to the authority and jurisdiction conferred upon the Nevada State Board of Pharmacy by NRS 639.241 to NRS 639.2576, inclusive, and NRS chapter 233B, a Notice of Intended Action and Accusation has been filed with the Board by the Petitioner, Larry L. Pinson, Executive Secretary for the Board, alleging grounds for imposition of disciplinary action by the Board against you, as is more fully explained and set forth in the Notice of Intended Action and Accusation served herewith and hereby incorporated reference herein.

II.

You have the right to a hearing before the Nevada State Board of Pharmacy to answer the Notice of Intended Action and Accusation and present evidence and argument on all issues involved, either personally or through counsel. It is required that you complete two copies of the Answer and Notice of Defense documents served herewith and file said copies with the Nevada State Board of Pharmacy within fifteen (15) days of receipt of this Statement and Notice, and of the Notice of Intended Action and Accusation served within.


III.

The Board has reserved Wednesday, October 14, 2015, as the date for a hearing on this matter at the Hilton Garden Inn, 7830 S. Las Vegas Blvd., Las Vegas, Nevada. The hour of the hearing will be set by letter to follow.

IV.

Failure to complete and file your Notice of Defense with the Board and thereby request a hearing within the time allowed shall constitute a waiver of your right to a hearing in this matter and give cause for the entering of your default to the Notice of Intended Action and Accusation filed herein, unless the Board, in its sole discretion, elects to grant or hold a hearing nonetheless.

DATED this 18<sup>th</sup> day of September, 2015.

  
L. Pinson, Pharm.D., Executive Secretary of the  
Nevada State Board of Pharmacy

**EXHIBIT K**

**EXHIBIT K**

## HOSPITAL SERVICES AGREEMENT

This Hospital Services Agreement ("Agreement") is between the veterinary practice or other business listed below ("Customer") and Strategic Pharmaceutical Solutions Inc., dba VetSource™ ("VetSource"). VetSource agrees to provide, and Customer agrees to (i) purchase the services selected below, and (ii) license the Software provided in connection with the services (collectively the "Services"), subject to the terms and conditions of this Agreement. VetSource also agrees to manage additional services, some provided by other companies, that Customer selects below (the "Additional Services"). The Services and Additional Services are described more fully below, along with the Technical Requirements necessary for Customer to receive such Services and Additional Services. Customer must comply with the Technical Requirements before receiving the Services and Additional Services. If needed, VetSource may assist Customer with compliance at an additional charge. Customer may purchase more Services or Additional Services at any time, subject to VetSource's then-current policies and prices. Capitalized terms not defined in this Agreement are defined in Appendix A, and are incorporated in this Agreement.

Detail		Pricing & Fees	Purchase & License
<b>VetSource Services</b>			
Home Delivery & Hospital Portal	Administrative dashboard for managing home delivery platform. Broadband (DSL / Cable Modem) strongly recommended and Microsoft Windows 2000 and later, MAC OSX 10.4 and later.	1) Activation Fee: \$199.00 2) Monthly Subscription Fee: \$19.95 / mo (waived for 90 days)	Yes
Customer eMerchant Account	E-commerce merchant account provisioning and services for payment acceptance meeting PCI Security Standards and adhering to Visa and MasterCard operating regulations. ACH Supported Bank Account required.	Included in Home Delivery Fees.	Yes
ScriptRight™ & ScriptRight Lite™	In-hospital & online and mobile phone ePrescription tool. Please see latest list of supported Practice Management Systems (recommended)	Included in Home Delivery Fees.	Yes
eCommerce Platform	Online catalog management system for home delivery on Internet Explorer 8.0 and later; Firefox 4.0 and later; Chrome 10 and later; Safari 4 and later. Subject to additional terms and conditions set forth in the Site Terms.	Included in Home Delivery Fees.	Yes
<b>Additional Services</b>			
Hospital Website	Basic website template with link to VetSource Home Delivery shopping site. Subject to additional terms and conditions set forth in the Site Terms.	Included in Home Delivery Fees.	Yes / No
Email marketing Campaign	Automated email marketing campaign to Clients on behalf of Customer (for integrated Customers only)	Included in Home Delivery Fees.	Yes / No

Customer Hospital Name: \_\_\_\_\_

Customer State and Entity Type (e.g., Delaware LLC, PC, Inc., etc.): \_\_\_\_\_

Customer Address: \_\_\_\_\_

Customer Website Address: \_\_\_\_\_

Practice Owner: \_\_\_\_\_

Name of Veterinarian on Account (if different from Practice Owner): \_\_\_\_\_

Main Contact at Customer: \_\_\_\_\_

Main Contact Email: \_\_\_\_\_ Main Contact Phone: \_\_\_\_\_

The parties sign this Hospital Services Agreement as of \_\_\_\_\_ (the "Effective Date"). This Agreement is subject to the attached Terms & Conditions.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Strategic Pharmaceutical Solutions Inc., dba VetSource  
By: \_\_\_\_\_  
Name: \_\_\_\_\_

HOSPITAL SERVICES AGREEMENT

## TERMS & CONDITIONS

### 1. *Services and Support.*

- 1.1. **Support.** VetSource will provide initial support, set-up, and ongoing assistance to extract, convert, and post information as reasonably needed to enable VetSource to provide the Services and Additional Services. If Customer does not maintain a website that has the capability to support the Services, Additional Services, and Software, then during the first year of this Agreement, and at no cost to the Customer, VetSource will procure and pay for a domain name for Customer (the "Domain Name"). For subsequent years, the renewal cost for the Domain Name is \$20 per year. Customer is solely responsible for all Website content. VetSource will respond to Customer e-mails and phone calls regarding the Services and Additional Services during regular business hours (8:00 a.m. to 8:00 p.m. Eastern Standard Time) on weekdays (excluding holidays). VetSource will attempt to timely: (i) correct any documented problems in the Services reported by Customer to VetSource, and (ii) make any bug fixes available to Customer.
- 1.2. **Additional Services.** VetSource will manage any Additional Services that Customer selects, however the entity that provides the Additional Services (each an "Additional Service Provider") is responsible for the Additional Services. VetSource shall not be liable in any way to Customer or Customer's Clients with regard to the Additional Services. VetSource will attempt to work with both the Customer and the Additional Service Provider to ensure that the Additional Services operate correctly and meet the Customer's need.

2. **Payment.** Customer agrees to pay all initial fees upon execution of this Agreement. Monthly subscription fees will be automatically deducted from the Customer's ledger on the 1st day of each month. Should Customer ledger not contain sufficient funds for the monthly subscription fees, VetSource shall invoice Customer for the balance. VetSource may modify all prices and fees upon 60 days notice to Customer. Customer is responsible for all applicable taxes in connection with this Agreement other than taxes based on VetSource's income.

### 3. *Customer's Obligations and Acknowledgments.*

#### 3.1. *Obligations.*

- 3.1.1. Customer agrees to cooperate with VetSource and provide reasonable and timely assistance to permit VetSource to fulfill its obligations under this Agreement;
- 3.1.2. Customer is responsible for any content, information, or specifications (collectively, the "Customer Materials") it provides to VetSource, and VetSource may rely on the Customer Materials without independent verification.
- 3.1.3. Customer authorizes VetSource to access its website, hosting provider, registrar account, Practice Management System, and other computer systems as necessary to perform the Services.

#### 3.2. *Acknowledgements.* Customer acknowledges and agrees to the following:

- 3.2.1. Customer has met the Technical Requirements or it will obtain necessary equipment and services to meet the Technical Requirements, at Customer's expense, within 60 days of the Effective Date, and if VetSource modifies the Technical Requirements, then Customer will obtain, at its expense, any technology necessary to comply with changes to the Technical Requirements;
- 3.2.2. Customer will notify VetSource before making any changes to its equipment or services, whether or not included in the Technical Requirements, that may affect VetSource's ability to provide, and Customer's ability to receive, Services or Additional Services;
- 3.2.3. The information available via the Software and the Services should not to be used as a substitute for professional veterinary advice and it is not intended to be relied upon by any person or entity for purposes of veterinary diagnosis or treatment;

Blank



- 3.2.4. VetSource is not a veterinarian, or a veterinary practice, and does not provide veterinary advice, and Customer is solely responsible for the accuracy of any veterinary advice provided to Clients through the Software or Services;
  - 3.2.5. VetSource will use commercially reasonable efforts to ensure the accuracy of any information made available via the Services and the Software, but it does not guarantee the sequence, accuracy, or completeness of such information and shall not be liable in any way to Customer, Customer's Clients, or anyone else to whom information is furnished, for any delays, inaccuracies, unavailability, errors, or omissions;
  - 3.2.6. For Home Delivery Orders processed by VetSource, all orders placed by the Customer or its Clients will be fulfilled by VetSource, and VetSource is regulated by state boards of pharmacy and federal agencies; and
  - 3.2.7. There is no payment for referrals under this Agreement as (i) Customer purchases and sells the drugs and products; (ii) Clients buy the drugs and products directly from Customer; and (iii) VetSource facilitates the transaction as a paid service for Customer.
  - 3.2.8. The parties acknowledge that there is no obligation for the Customer or the Customer's Client to use the services of VetSource Home Delivery pharmacy.
4. **Business Model.** The sale of any item for Home Delivery is between the Customer and the Client, including eConnect originated transactions. This sales transaction includes collecting money for each sale directly from the Client, along with applicable sales tax and shipping costs. All revenue from the sale to the Client is deposited into the Customer's e-merchant account. The parties agree that the general business model for transactions under this Agreement is as follows:
- 4.1.1. A prescription is requested by a Client through the Software, at Customer's hospital, the VetSource call center or via an eConnect partner as a Home Delivery Order;
  - 4.1.2. VetSource routes the Client request to the Customer's ScriptRight platform for verification of a Valid Veterinarian-Client-Patient Relationship pursuant to Section 5 and for therapeutic assessment;
  - 4.1.3. If appropriate, a licensed veterinarian, authorized by the Customer, having a relationship with the Client and patient, approves prescription request;
  - 4.1.4. The Customer then purchases the Home Delivery Order requested by the Client, including assessment of wholesale tax, via debit to Customer's e-merchant account and takes title, but not physical possession of Order. This action consequentially initiates consignment by Customer of Home Delivery Order to the VetSource pharmacy for fulfillment;
  - 4.1.5. VetSource processes the Home Delivery Order on behalf of the Customer including charging fees to the Customer for fulfillment via debit to the Customer's e-merchant account and ships the product directly to the Client through VetSource's Home Delivery Order service;
  - 4.1.6. VetSource collects, on the Customer's behalf, payment as well as applicable shipping and taxes from the Client. VetSource credits the Customer's e-merchant account; and
  - 4.1.7. VetSource transfers funds via an automated clearing house ("ACH") monthly from the Customer's e-merchant account into a checking account designated by the Customer for the e-merchant account balance and taxes.
- 4.2. **E-merchant Services and ACH.**
- 4.2.1. **E-merchant Services.** Customer authorizes VetSource to present credits and debits, wire transfers, and depository transfer checks to and from Customer's e-merchant account. This authorization cannot be revoked until all Customer obligations under this Agreement are satisfied. Merchant account transaction processing fees may be adjusted from time to time to account for increased gateway and interchange fees. Customer will be notified at a minimum 14 days in advance of any such adjustments. If Customer disputes any charges to its e-merchant account, then Customer must notify VetSource within 45 days of receipt of the statement referencing the disputed charge.
  - 4.2.2. **ACH.** Transaction processing and settlement from Customer's e-merchant account is performed through an ACH on a monthly basis for no additional charge. Customer authorizes VetSource to present ACH credits and debits, wire transfers, and depository transfer checks to and from Customer's designated checking

account. If the Customer does not designate a checking account for the transfer of funds, or if an ACH fails due to inaccurate information, then VetSource will assess a \$15 fee for the issue of paper checks. This authorization cannot be revoked until all Customer obligations under this Agreement are satisfied. If Customer disputes any charges to its designated checking account, then Customer must notify VetSource within 45 days of receipt of the statement referencing the disputed charge.

- 4.3. **Return Policy.** In any transaction under this Agreement, Customer purchases drugs and products from VetSource, and then Customer proceeds to sell said drugs and products to Clients. For prescription drugs and products, the Customer is the seller of the drugs and products and they will, at their sole discretion, choose to authorize a Client refund request. If the Customer chooses to authorize a Client's return request, then VetSource, on the Customer's behalf, will refund the Client for the price of the drugs or products; however, VetSource will not provide reimbursement to the Customer for the wholesale cost of the product or fees. Pharmacies are not permitted by state and federal laws to resell medications that have previously been dispensed to a Client.
5. **Valid Veterinarian-Client-Patient Relationship.** Customer agrees that all prescriptions submitted for fulfillment will follow the below terms:
  - 5.1. Only a licensed veterinarian can submit prescriptions. All electronic prescriptions are approved by the prescribing veterinarian via their own unique electronic signature (PIN number);
  - 5.2. The Doctor of Record is responsible for ensuring that all veterinarians on staff who have the ability to write prescriptions are legally qualified to write and approve a particular prescription item requested; and
  - 5.3. The prescribing veterinarian, by providing their signature (electronic or otherwise), is attesting that they have a pre-existing veterinarian-client-patient relationship as defined below by the Code of Federal Regulations, Title 21, Volume 1, Section 530.3 (i) (cited as 21 CFR 530.3 (i)):
    - 5.3.1. A veterinarian has assumed the responsibility for making medical judgments regarding the health of (an) animal(s) and the need for medical treatment, and the client (the owner of the animal or animals or other caretaker) has agreed to follow the instructions of the veterinarian;
    - 5.3.2. There is sufficient knowledge of the animal(s) by the veterinarian to initiate at least a general or preliminary diagnosis of the medical condition of the animal(s); and
    - 5.3.3. The practicing veterinarian is readily available for follow-up in case of adverse reactions or failure of the regimen of therapy. Such a relationship can exist only when the veterinarian has recently seen and is personally acquainted with the keeping and care of the animal(s) by virtue of examination of the animal(s), and/or by medically appropriate and timely visits to the premises where the animal(s) are kept.
6. **Licenses.**
  - 6.1. **Software License.** Upon payment in full, pursuant to the terms of this Agreement, VetSource hereby grants Customer a limited, non-transferable, non-exclusive, revocable license to use the Software in connection with the Services ("Software License"). All other use is strictly prohibited, and the Software License terminates upon the expiration or termination of this Agreement.
  - 6.2. **Customer Data License.** VetSource will maintain a database for the benefit of Customer, populated with Specified Data from the Customer's practice management system ("PM"). Customer hereby grants VetSource, and VetSource hereby accepts, a non-exclusive right to and a non-exclusive, perpetual, worldwide license in the Specified Data for the purposes of: (i) accumulating such data for the benefit of the Customer; (ii) processing Home Delivery Orders on behalf of the Customer; (iii) displaying approved pet medical records in the Customer's Client portal; (iv) generating reports; and (v) any further services made available to the Customer (the "Customer Data License"). VetSource, as a licensed pharmacy, and will never share PII or Specified Data with any outside party, unless otherwise authorized by Customer in writing.
7. **Representations and Warranties.**
  - 7.1. **By Customer.** Customer represents and warrants the following:

## APPENDIX A

- 7.1.1. Customer will not post, and will not allow posting, to or through the Software of: (i) any materials that infringe any third-party intellectual property rights; or (ii) any libelous or defamatory material;
  - 7.1.2. Customer is the sole owner of all Customer Materials, or it has the right to use (and grants VetSource the right to use) such materials in the manner planned;
  - 7.1.3. The Customer Materials and VetSource's use of those materials do not infringe any Intellectual property rights of third parties;
  - 7.1.4. Customer will comply with the terms of any licensing agreements governing any licensed material; and
  - 7.1.5. Customer will use the Services, Additional Services, and Software in compliance with applicable laws.
- 7.2. **By VetSource.** VetSource warrants the following:
- 7.2.1. VetSource will perform the Services in a competent and timely manner;
  - 7.2.2. VetSource's responsibilities under this Agreement will comply with applicable laws.
8. **Proprietary Rights.** VetSource (including its agents and licensors) retains all right and title to: (i) the Software, the Services, and its materials and documentation; and (ii) all related know-how, methodologies, algorithms, processes, derivatives, and intellectual property rights. Customer agrees not to, directly or indirectly, reverse engineer, decompile, disassemble, derive source code, sell, lease, license, or sublicense, write or develop any derivative software, using the Software. Except as otherwise set forth in this Agreement, all other content and related intellectual property rights are the property of the Customer or its Clients (as applicable between them).
9. **Term and Termination.**
- 9.1. **Term.** The term of this Agreement is one year from the Effective Date ("Term"). This Agreement will automatically renew for successive one-year terms on the anniversary of the Effective Date, unless otherwise terminated pursuant to this section.
  - 9.2. **Termination.** Either party may terminate this Agreement: (i) if the other party fails to cure a material breach of this Agreement within 30 days of receiving notice of the breach; (ii) for any reason upon 45 days written notice to the other party; or (iii) immediately, without liability and upon notice to the other party, in order to comply with any order issued by any governmental agency or with any provision of law.
10. **Disclaimers.** Except as represented in this Agreement, VetSource's Services and Software are provided "AS IS" and VetSource does not warrant uninterrupted operation of the Services. VetSource specifically disclaims for itself, and its agents, all other warranties, express and implied, including the warranties of title, merchantability, and fitness for a particular purpose.
11. **Limitation of Liability.** VetSource's maximum liability, and the maximum liability of its independent marketing and sales representatives, licensors, and suppliers, to Customer is limited to the amount of fees paid by Customer to VetSource during the 12 months prior to the date such claim arose. VetSource, its independent marketing and sales representatives, licensors, and suppliers are not liable, whether in contract or tort, for any loss of data, loss of profits, cost of cover, or other special, punitive, incidental, consequential, or indirect damages that may arise in connection with this Agreement.
12. **Indemnification.**
- 12.1. **By Customer.** Customer agrees to indemnify VetSource, its parent, subsidiaries, independent marketing and sales representatives, and licensors and the employees, agents, successors and assigns of these entities, against all damages, costs, expenses, and losses (including reasonable attorney fees and costs) (collectively, "Damages") incurred as a result of third-party claims that arise out of or relate to: (i) a breach of Customer's representations and covenants in this Agreement; (ii) the willful or negligent misconduct of Customer, its employees or agents;

(iii) Customer's use of the Services and Software; or (iv) the actual or alleged infringement of third-party intellectual property rights.

12.2. **By VetSource.** Subject to Sections 10 and 11, VetSource agrees to indemnify Customer against all Damages incurred by Customer as a result of third-party claims that arise out of a breach of VetSource's representations and covenants in this Agreement.

13. **Supporting Agent.** VetSource partners with multiple agents (each a "Supporting Agent"). When the Customer signs up for Services under this Agreement, It will have the opportunity to select a Supporting Agent to be assigned to their account for the first twelve (12) months of the Agreement. After the initial twelve (12) months expire, Customer will have the option at any time to select a new Supporting Agent for the next twelve (12) months, by completing the VetSource Supporting Agent Form.

14. **Privacy and Confidentiality.**

14.1. **Privacy.** VetSource and its employees may have access to electronic records regarding Customer's Clients, their pets, and PII. All PII will be encrypted or otherwise safeguarded when transferred to VetSource. VetSource will use PII solely for the purpose of providing the Services and Additional Services, supporting the Software, and for the limited purposes set forth in this Agreement, unless otherwise authorized by Customer in writing. Access by VetSource personnel to PII will be on a need-to-know basis. VetSource has, and will continue to implement, appropriate safeguards and data security protocols to prevent the unauthorized disclosure of PII.

14.2. **Confidentiality.** Customer and VetSource acknowledge that they will have access to, and knowledges of each other's Confidential Information. Each party acknowledges that (i) the Confidential Information of the other party is valuable, proprietary, and confidential to such party, and that such party has paid substantial consideration and incurred substantial costs to acquire or develop the Confidential Information; (ii) the Confidential Information shall be treated as valuable, proprietary, and confidential regardless of whether third parties would consider it valuable, proprietary, and confidential; and (iii) neither party will, at any time, disclose, divulge, or make known to any person or entity, use, or otherwise appropriate for their own benefit or the benefit of others any of the Confidential Information, or permit any person to examine or make copies of any documents that contain the Confidential Information, without the prior consent of the other party, except they may disclose Confidential Information: (a) on a need-to-know basis, to their employees, agents, and other representatives who are informed of the confidential nature of the Confidential Information and the obligations under this Agreement; or (b) in accordance with a judicial or other governmental order. At termination or expiration of this Agreement, the parties will promptly return, or destroy, all materials furnished by the other party that contain Confidential Information, together with all copies and summaries of Confidential Information, whether tangible or electronic.

15. **General Provisions.**

15.1. **Independent Contractor.** The parties are independent contractors of one another. This Agreement does not create a partnership, joint venture, or other relationship between the parties. Each party's employees and subcontractors are their own, and they will pay all salaries, taxes, insurance, and benefits with respect to their personnel.

15.2. **Assignment.** Customer may not assign rights or delegate duties under this Agreement without VetSource's prior written consent. A change in control of a party constitutes an assignment by such party requiring consent.

15.3. **Attorneys' Fees.** The prevailing party in any dispute with respect to this Agreement, including in tort, is entitled to recover reasonable attorneys' fees, costs and expenses incurred with respect to such dispute and in any appeal.

15.4. **Waiver.** A party waiving compliance with a provision in this Agreement may only do so by a signed writing. Unless otherwise specified in writing, such a waiver only relates to the provision being waived and the particular instance. Failure to enforce a provision of this Agreement does not constitute waiver.

15.5. **Governing Law.** The laws of the state of Oregon govern all matters arising out of this agreement, including tort claims.

15.6. **Miscellaneous Clauses.** Amendments to this Agreement are only effective if in writing and signed by the parties. This Agreement is the entire understanding of the parties with respect to the Services and Software and It

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supersedes all prior understandings, whether written or oral. This Agreement may be executed in separate counterparts. There are no third party beneficiaries to this Agreement. Each party will bear its own expenses in connection with the preparation and performance of this Agreement.

- 15.7. **Representation.** CreateLegal, LLC prepared this Agreement on behalf of VetSource. Customer has had the opportunity to consult counsel and other advisors with respect to its rights and obligations under this Agreement. The rule that an agreement is to be construed against the drafter does not apply to this Agreement.

#### **Appendix A** **Defined Terms in Agreement**

**Software.** VetSource's proprietary software provided with Services, including but not limited to VetSource ScriptRight™ Software and Hospital Portal, VetSource Website, VetSource eCommerce Platform.

**PII.** An individual's first name or first initial and last name in combination with any one or more of the following data elements, when either the name or the data elements are not encrypted: (i) social security number; (ii) driver license number or state identification number; (iii) account number, credit or debit card number, in combination with any required security code, access code, or password that would permit access to an individual's financial account; (iv) email address, (v) medical information, or (vi) Client and patient. PII does not include publicly available information that is lawfully made available to the general public from federal, state or local government records.

**Client.** Customer's client.

**Specified Data.** Includes, but is not limited to, Client, patient and transactional information required for Home Delivery Orders on behalf of Customer; pet medical records; pet vaccination history; and Pharmacy, Client and Patient Data.

**Pharmacy, Client, and Patient Data.** Includes Client information such as username, first and last name, address, and respective telephone numbers; and pet information such as pet name, species, breed, gender, age, weight, spayed or neutered status, and comments concerning the pet.

**Home Delivery Orders.** Processing of prescription, over the counter product, and pet nutrition orders processed by VetSource Home Delivery Pharmacy.

**Confidential Information.** All information that the disclosing party discloses to the receiving party, including but not limited to business models, customer and supplier lists, marketing plans, financial and technical information, trade secrets, know-how, ideas, designs, drawings, specifications, techniques, programs, systems, processes, computer software, and other information, regardless of medium, that would, under the circumstances, appear to a reasonable person to be confidential or proprietary. As to the Customer, the term "Confidential Information" also includes PII and Specified Data.

**Doctor of Record.** Owner or veterinary director of hospital responsible for overseeing other hospital veterinarians and corresponding veterinary practices and protocols.

**EXHIBIT L**

**EXHIBIT L**

## EITF ABSTRACTS

Issue No. 99-19

**Title:** Reporting Revenue Gross as a Principal versus Net as an Agent

**Dates Discussed:** March 16, 2000; May 17-18, 2000; July 19-20, 2000

**References:** FASB Statement No. 60, *Accounting and Reporting by Insurance Enterprises*  
FASB Statement No. 97, *Accounting and Reporting by Insurance Enterprises for Certain Long-Duration Contracts and for Realized Gains and Losses from the Sale of Investments*  
FASB Statement No. 113, *Accounting and Reporting for Reinsurance of Short-Duration and Long-Duration Contracts*  
FASB Statement No. 115, *Accounting for Certain Investments in Debt and Equity Securities*  
FASB Statement No. 125, *Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities*  
FASB Statement No. 136, *Transfers of Assets to a Not-for-Profit Organization or Charitable Trust That Raises or Holds Contributions for Others*  
FASB Concepts Statement No. 2, *Qualitative Characteristics of Accounting Information*  
FASB Concepts Statement No. 6, *Elements of Financial Statements*  
AICPA Statement of Position 81-1, *Accounting for Performance of Construction-Type and Certain Production-Type Contracts*  
SEC Staff Accounting Bulletin No. 101, *Revenue Recognition in Financial Statements*  
SEC Staff Accounting Bulletin No. 101B, *Second Amendment: Revenue Recognition in Financial Statements*  
SEC Regulation S-X, Rule 5-03, *Income Statements*

### ISSUE

1. Diversity exists regarding whether a company should report revenue based on (a) the gross amount billed to a customer because it has earned revenue from the sale of the goods or services or (b) the net amount retained (that is, the amount billed to a customer less the amount paid to a supplier) because it has earned a commission or fee. The issue often arises with companies that sell goods or services over the Internet. Many of those companies do not stock inventory and may arrange for third-party suppliers to drop-ship

merchandise on their behalf. Those companies also may offer services that will be provided by a third-party service provider. However, the issue is not limited to companies that sell products or services over the Internet. For example, the issue may arise in, but is not limited to, transactions related to advertisements, mailing lists, event tickets, travel tickets, auctions (and reverse auctions), magazine subscription brokers, and catalog, consignment, or special-order retail sales.

2. How companies report revenue for the goods and services they offer has become an increasingly important issue because some investors may value certain companies on a multiple of revenues rather than a multiple of gross profit or earnings. Net income generally does not differ based on whether a company reports revenue on the gross amount billed to the customer or the net amount retained.

3. The issue is whether a company should report revenue based on (a) the gross amount billed to a customer because it has earned revenue from the sale of the goods or services or (b) the net amount retained (that is, the amount billed to the customer less the amount paid to a supplier) because it has earned a commission or fee. The accounting model in this Issue is consistent with the requirements of SAB 101. Those requirements are included in SAB 101 in the interpretive response to question 10 of Topic 13-A and are as follows:

In assessing whether revenue should be reported gross with separate display of cost of sales to arrive at gross profit or on a net basis, the [SEC] staff considers whether the registrant:

1. acts as principal in the transaction,
2. takes title to the products,
3. has risks and rewards of ownership, such as the risk of loss for collection, delivery, or returns, and
4. acts as an agent or broker (including performing services, in substance, as an agent or broker) with compensation on a commission or fee basis.



If the company performs as an agent or broker without assuming the risks and rewards of ownership of the goods, sales should be reported on a net basis. [Footnote reference omitted.]

4. This Issue excludes from its scope transactions for which guidance is provided under categories (a) and (b) of the GAAP hierarchy, including:

- Sales of financial assets, including debt and equity securities, loans, and receivables
- Lending transactions
- Insurance and reinsurance premiums
- Revenue transactions in specialized industries addressed in AICPA accounting and auditing guides (for example, airlines, casinos, investment companies, not-for-profit organizations, construction contractors, and federal governmental contractors).

5. This Issue also excludes from its scope other gross-versus-net income statement display issues such as those associated with (a) shipping and handling revenues and costs, which are addressed in Issue No. 00-10, "Accounting for Shipping and Handling Fees and Costs," and (b) rebates, coupons, incentives, and free products, which are addressed in Issue No. 00-14, "Accounting for Certain Sales Incentives." Also excluded from the scope of this Issue are those display issues that will be addressed in future issues on accounting for vendor promotional activities, multiple-element revenue arrangements, and "point" and other loyalty programs. This Issue does not address *when* revenue should be recorded, including *whether* revenue should be deferred (a liability established) because the earnings process is not complete.

## EITF DISCUSSION

6. The Task Force reached a consensus that whether a company should recognize revenue based on (a) the gross amount billed to a customer because it has earned revenue from the sale of the goods or services or (b) the net amount retained (that is, the amount billed to the customer less the amount paid to a supplier) because it has earned a commission or fee is a matter of judgment that depends on the relevant facts and circumstances and that the factors or indicators set forth below should be considered in

that evaluation. The Task Force reached a consensus that none of the indicators should be considered presumptive or determinative; however, the relative strength of each indicator should be considered.

#### **Indicators of Gross Revenue Reporting**

7. *The company is the primary obligor in the arrangement*—Whether a supplier or a company is responsible for providing the product or service desired by the customer is a strong indicator of the company's role in the transaction. If a company is responsible for fulfillment, including the acceptability of the product(s) or service(s) ordered or purchased by the customer, that fact is a strong indicator that a company has risks and rewards of a principal in the transaction and that it should record revenue gross based on the amount billed to the customer. Representations (written or otherwise) made by a company during marketing and the terms of the sales contract generally will provide evidence as to whether the company or the supplier is responsible for fulfilling the ordered product or service. Responsibility for arranging transportation for the product ordered by a customer is not responsibility for fulfillment.

8. *The company has general inventory risk (before customer order is placed or upon customer return)*—Unmitigated general inventory risk is a strong indicator that a company has risks and rewards as a principal in the transaction and, therefore, that it should record revenue gross based on the amount billed to the customer. General inventory risk exists if a company takes title to a product *before* that product is ordered by a customer (that is, maintains the product in inventory) or will take title to the product if it is returned by the customer (that is, back-end inventory risk) and the customer has a right of return. Evaluation of this indicator should include arrangements between a company and a supplier that reduce or mitigate the company's risk level. For example, a company's risk may be reduced significantly or essentially eliminated if the company has

the right to return unsold products to the supplier or receives inventory price protection from the supplier. A similar and equally strong indicator of gross reporting exists if a customer arrangement involves services and the company is obligated to compensate the individual service provider(s) for work performed regardless of whether the customer accepts that work.

9. *The company has latitude in establishing price*—If a company has reasonable latitude, within economic constraints, to establish the exchange price with a customer for the product or service, that fact may indicate that the company has risks and rewards of a principal in the transaction and that it should record revenue gross based on the amount billed to the customer.

10. *The company changes the product or performs part of the service*—If a company physically changes the product (beyond its packaging) or performs part of the service ordered by a customer, that fact may indicate that the company is primarily responsible for fulfillment, including the ultimate acceptability of the product component or portion of the total services furnished by the supplier, and that it should record revenue gross based on the amount billed to the customer. This indicator is evaluated from the perspective of the product or service itself such that the selling price of that product or service is greater as a result of a company's physical change of the product or performance of the service and is not evaluated based on other company attributes such as marketing skills, market coverage, distribution system, or reputation.

11. *The company has discretion in supplier selection*—If a company has multiple suppliers for a product or service ordered by a customer and discretion to select the supplier that will provide the product(s) or service(s) ordered by a customer, that fact may indicate that the company is primarily responsible for fulfillment and that it should record revenue gross based on the amount billed to the customer.

12. *The company is involved in the determination of product or service specifications*—If a company must determine the nature, type, characteristics, or specifications of the product(s) or service(s) ordered by the customer, that fact may indicate that the company is primarily responsible for fulfillment and that it should record revenue gross based on the amount billed to a customer.

13. *The company has physical loss inventory risk (after customer order or during shipping)*—Physical loss inventory risk exists if title to the product is transferred to a company at the shipping point (for example, the supplier's facilities) and is transferred from that company to the customer upon delivery. Physical loss inventory risk also exists if a company takes title to the product after a customer order has been received but before the product has been transferred to a carrier for shipment. This indicator may provide some evidence, albeit less persuasive than general inventory risk, that a company should record revenue gross based on the amount billed to the customer.

14. *The company has credit risk*—If a company assumes credit risk for the amount billed to the customer, that fact may provide weaker evidence that the company has risks and rewards as a principal in the transaction and, therefore, that it should record revenue gross for that amount. Credit risk exists if a company is responsible for collecting the sales price from a customer but must pay the amount owed to a supplier after the supplier performs, regardless of whether the sales price is fully collected. A requirement that a company return or refund only the net amount it earned in the transaction if the transaction is cancelled or reversed is not evidence of credit risk for the gross transaction. Credit risk is not present if a company fully collects the sales price prior to the delivery of the product or service to the customer (in other words, before the company incurs an obligation to the supplier). Credit risk is mitigated, for example, if a customer pays by credit card and a company obtains authorization for the charge in advance of product

shipment or service performance. Credit risk that has been substantially mitigated is not an indicator of gross reporting.

#### **Indicators of Net Revenue Reporting**

**15. *The supplier (not the company) is the primary obligor in the arrangement—***Whether a supplier or a company is responsible for providing the product or service desired by a customer is a strong indicator of the company's role in the transaction. If a supplier (and not the company) is responsible for fulfillment, including the acceptability of the product(s) or service(s) ordered or purchased by a customer, that fact may indicate that the company does not have risks and rewards as principal in the transaction and that it should record revenue net based on the amount retained (that is, the amount billed to the customer less the amount paid to a supplier). Representations (written or otherwise) made by a company during marketing and the terms of the sales contract generally will provide evidence as to a customer's understanding of whether the company or the supplier is responsible for fulfilling the ordered product or service.

**16. *The amount the company earns is fixed—***If a company earns a fixed dollar amount per customer transaction regardless of the amount billed to a customer or if it earns a stated percentage of the amount billed to a customer, that fact may indicate that the company is an agent of the supplier and should record revenue net based on the amount retained.

**17. *The supplier (and not the company) has credit risk—***If credit risk exists (that is, the sales price has not been fully collected prior to delivering the product or service) but that credit risk is assumed by a supplier, that fact may indicate that the company is an agent of the supplier and, therefore, the company should record revenue net based on the amount retained.

18. The examples in Exhibit 99-19A are presented to illustrate the application of the consensus.

19. The SEC Observer reminded registrants that Regulation S-X, Rule 5-03(b)(1), requires separate presentation in the income statement of revenues from the sale of products and revenues from the provision of services. Because commissions and fees earned from activities reported net are service revenues, this may often have the effect of requiring separate presentation of revenues reported gross and revenues reported net.

20. Some Task Force members observed that the voluntary disclosure of gross transaction volume for those revenues reported net may be useful to users of financial statements. Task Force members observed that such disclosure could be made parenthetically in the income statement or in the notes to the financial statements. However, if gross amounts are disclosed on the face of the income statement, they should not be characterized as revenues (a description such as "gross billings" may be appropriate), nor should they be reported in a column that sums to net income or loss.

#### **Transition**

21. The Task Force reached a consensus that the consensus guidance in this Issue should be applied by SEC registrants no later than the required implementation date for SAB 101. According to SAB 101B, that implementation date is the fourth quarter of a registrant's fiscal year beginning after December 15, 1999. Accordingly, all registrants, including those that already have adopted SAB 101, are required to apply the consensus guidance in this Issue in their financial statements for the fourth quarter of their fiscal year beginning after December 15, 1999. Nonregistrants should apply the consensus no later than in annual financial statements for the fiscal year beginning after December 15, 1999. Upon application of the consensus, comparative financial statements for prior periods should be reclassified to comply with the classification guidelines of this Issue.

If it is impracticable to reclassify prior-period financial statements, disclosure should be made of both the reasons why reclassification was not made and the effect of the reclassification on the current period.

22. The SEC Observer noted that in Topic No. D-85, "Application of Certain Transition Provisions in SEC Staff Accounting Bulletin No. 101," the SEC staff has indicated that registrants should retroactively apply the guidance in SAB 101 regarding income statement classification to all periods presented in their next financial statements (whether interim or annual) filed with the Commission after January 20, 2000, if that information is available. The SEC Observer indicated that that same guidance applies to any income statement reclassification required by this Issue. The SEC observer also noted that companies registering shares in an initial public offering are expected to comply with SAB 101 at the time they file their initial registration statement with the SEC.

#### **STATUS**

23. No further EITF discussion is planned.

## **Exhibit 99-19A**

### **EXAMPLES ILLUSTRATING THE APPLICATION OF THE INDICATORS IN THE EITF CONSENSUS ON ISSUE 99-19**

The following examples illustrate the application of the indicators. The application of the indicators for gross and net reporting of revenue depends on the relative facts and circumstances and requires significant judgment. The assessment below reflects those judgments in the given fact pattern based on the assumed facts; however, those judgments will vary in differing fact patterns.

#### **Product Sales**

##### **Example 1**

Company A facilitates the sale of home furnishing products. Each product marketed has a unique supplier and that supplier is identified in product catalogs distributed to customers. Company A maintains no inventories of products in advance of customer orders. Company A takes title to the products ordered by customers at the point of shipment from suppliers. Title is passed to the customer upon delivery. The gross amount owed by a customer is charged to the customer's credit card prior to shipment and Company A is the merchant of record. Company A is responsible for collecting the credit card charges and must remit amounts owed to suppliers regardless of whether that collection occurs. Suppliers set product selling prices. Company A retains a fixed percentage of the sales price and remits the balance to the supplier. Written information provided to customers during marketing and included in the terms of sales contracts states:

Company A manages ordering, shipping, and billing processes to help you purchase home furnishing products. Company A does not buy, sell, manufacture, or design the products. When you use Company A, you are purchasing the products from the Suppliers. Company A has no control over the quality or safety of the products listed. Orders will not be binding on Company A or the Suppliers until the applicable Supplier accepts them. Company A will process your requests for order changes, cancellations, returns, and refunds with the applicable Supplier. All order changes, cancellations, returns, or refunds are governed by the Supplier's policies, and you agree to pay additional shipment costs or restocking charges imposed by the Supplier. You agree to deal directly with the Supplier regarding warranty issues. Company A will not be liable for loss, damage, or penalty resulting from delivery delays or delivery failures due to any cause beyond reasonable control.

**Evaluation:** Certain of the indicators point toward gross reporting, while other indicators point toward net reporting. Company A concludes that revenues should be reported net in this example. Although indicators of gross reporting exist for physical



loss inventory risk (during shipping) and credit risk (for collecting amounts charged to credit cards), those indicators are not sufficient to overcome the stronger indicators that revenues should be reported net, including (a) the supplier, not the company, is the primary obligor and (b) the amount earned by the company is a fixed percentage of the total amount billed to the customer.

#### **Example 2**

Reseller of office furniture receives an order for a large quantity of desks with unique specifications. Reseller and the customer develop the specifications for the desks and negotiate the selling price for the desks. Reseller is responsible for selecting the supplier. Reseller contracts with a supplier to manufacture the desks, communicates the specifications, and arranges to have the supplier deliver the desks directly to the customer. Title to the desks will pass directly from the supplier to the customer upon delivery. (Reseller never holds title to the desks.) Reseller is responsible for collecting the sales price from the customer and is obligated to pay the supplier when the desks are delivered, regardless of whether the sales price has been collected. Reseller extends 30-day payment terms to the customer after performing a credit evaluation. Reseller's profit is based on the difference between the sales price negotiated with the customer and the price charged by the selected manufacturer. The order contract between Reseller and the customer requires the customer to seek remedies for defects from the supplier under its warranty. Reseller is responsible for customer claims resulting from errors in specifications.

***Evaluation:*** After applying the indicators, Reseller concludes that revenue from the transaction should be reported based on the gross amount billed to the customer. The fact pattern does not clearly point to either the supplier or Reseller as the primary obligor to the customer. Reseller has complete latitude in negotiating the selling price for the desks and selecting a supplier among alternatives, and it earns a variable amount in the transaction equal to the difference between the selling price negotiated with the customer and the amount to be paid to the supplier, pointing to gross reporting. Finally, Reseller has credit risk from financing amounts billed to customers as accounts receivable, which is a weaker indicator that revenue should be reported gross.

#### **Example 3**

Company G is a large grain merchant that maintains inventory sites throughout the regions where crops are grown. Most of Company G's business involves the purchase of grain from local producers, which is stored and resold to customers such as mills, bakeries, and other users. However, a portion of Company G's business involves merchandising grain between unrelated producers and customers in return for a commission paid by the producer that is a percentage of the selling price (plus reimbursement for shipping costs). Company G negotiates the selling price subject to acceptance by the producer. This grain is handled by Company G in the same manner as grain purchased for the company's own inventory. The grain is picked up by Company G and stored on its premises on a segregated basis until the scheduled shipping date. While in storage, title to the grain resides with the producer; however, Company G is responsible for any physical loss. If the customer order is cancelled while the grain is in storage, the

producer is obligated to pay Company G handling and storage fees until another buyer is located. The producer is responsible for collecting the sales price from the customer and for settling any claims by the customer. Title to the grain never passes to Company G.

**Evaluation:** After applying the indicators, Company G concludes that it should record revenue from its grain merchandising activities for the net amount earned in those transactions. The only indicator of gross reporting is that Company G has physical loss inventory risk while the grain is on its premises, a less persuasive indicator of gross reporting. Indicators of net reporting are (a) the producer is the primary obligor to the customer as the producer is responsible for fulfillment, including remedies if the customer is dissatisfied, (b) Company G earns a fixed percentage of the selling price to the customer, and (c) the producer, and not Company G, has credit risk for the gross amount billed to the customer.

#### **Example 4**

A major Chain of athletic shoe stores obtains 60 percent of its seasonal shoes from an overseas source. The lead-time for the order is four months and the selling season lasts three months. Chain takes title to the products upon delivery and is obligated to pay the Supplier according to typical industry payment terms. Selling prices for the products are determined exclusively by Chain. As long as Chain devotes at least 20 percent of its advertising budget to the Supplier's brands and prices the shoes within 20 percent of the national average price, Chain may return for full credit any unsold shoes and any customer returns within 60 days of the end of the season. Sales to customers are by cash or credit card.

**Evaluation:** After applying the indicators, Chain concludes that revenue from sales of products from the overseas source should be reported based on the gross amount charged to customers. Indicators of gross reporting are (a) Chain is the primary obligor to the customer, a strong indicator, as Chain is responsible for fulfillment and customer remedies in the event of dissatisfaction, (b) Chain has general inventory risk as a result of taking title and maintaining inventory, although that risk is mitigated through the return provisions with the supplier, (c) Chain has complete latitude to set the prices for the products (even though product pricing may affect Chain's return rights and expose it to greater inventory risk) and the net amount to be earned varies with that selling price, and (d) Chain also has credit risk for credit card transactions (a weaker indicator). No indicators of net reporting are present.

**Similar fact patterns:** A change in the fact pattern as to product return provisions for unsold products between the Chain and the Supplier would not change the result that Chain should report revenue gross. Those changes would include, for example, a vendor-imposed restocking fee or a limit on the number of items that may be returned. Those types of changes would increase the amount of general inventory risk present and increase the strength of that indicator of gross reporting.

In this example, the conclusion to report revenue gross based on the indicators would not be affected if the products sold by Chain were in Chain's inventory on a consignment

basis. While a consignment arrangement would eliminate the general inventory risk indicator of gross reporting, the primary obligor indicator, a strong indicator of gross reporting, and the pricing latitude and credit risk gross indicators continue to point to gross reporting. Further, there continues to be no indicator of net reporting.

### **Service Transactions**

#### **Example 5**

Servicer provides Internet-based college application services to assist applicants in applying for admission to colleges. Servicer enters into a service contract with a college to place the college's application forms electronically on Servicer's web site. Applicants can either access Servicer's web site directly or click-through from the subscribing college's web site to complete an application. Applicants electronically submit the completed application to Servicer. The applicant also submits credit card information so that Servicer can charge the applicant's credit card for the college's admission fee. Before accepting the application, Servicer verifies the applicant's credit availability and charges the applicant's credit card. The Servicer then promptly forwards the application to the college. Servicer is the merchant of record in the transaction with the applicant and collects the proceeds from the applicant's credit card issuer.

The contract with the college compensates Servicer with either a fixed dollar fee or a fixed percentage of the admission fee, which Servicer withholds from the admission fees collected. The college determines its own admission fee. Servicer and the college negotiate the withholding of Servicer's fee from an applicant's admission fee in advance. On the fifteenth day of each month, Servicer remits to the college all proceeds collected in the prior month, net of the Servicer's fees. If the applicant subsequently denies the credit card charge, Servicer is at full risk of loss for the admission fee and remains obligated to remit the college's share of the admission fee to the college.

**Evaluation:** After applying the indicators, Servicer concludes that revenue should be reported for the net amount earned in the application transactions. Indicators of net reporting are (a) the college, and not the company, is the primary obligor to the applicant, because the college is responsible for reviewing and accepting or denying applications, and (b) the college sets the admission fee and Servicer receives a fixed percentage of that amount. An indicator of gross reporting is present only for credit risk in the form of collecting credit card charges, a weaker indicator. Similar to Example 1, the credit risk indicator for gross reporting is not sufficiently strong to overcome the indicators for net reporting.

#### **Example 6**

Company B provides small, unrelated Internet merchants with credit card processing services. Customers of those merchants visit merchant web sites to select products. When a customer clicks on the button to purchase a product, the customer is redirected to Company B's secure server and the credit card information is processed. Company B utilizes an unrelated major bank to process the credit card transactions and the merchant

is not a party to that service contract. Company B is the merchant of record with that bank.

Company B notifies both the customer and the merchant by e-mail when the credit card charge is approved and, at that time, the merchant is authorized to ship the product by one of several common carriers that provide on-line package tracking so that the customer, Company B, and the merchant are able to monitor the order status. Company B has no responsibility for, or involvement with, the products. Merchants receive from Company B semi-monthly net payments based on the gross sales processed by Company B less a 6 percent processing fee, a 5 percent holdback for potential returns (released after 6 months), and an adjustment for actual returns. Company B is evaluating whether it should report revenues equal to the gross amounts processed for participating merchants (the amount billed to the retail customer) or for the net amount earned (the 6 percent processing fee).

**Evaluation:** Company B processes credit card transactions as the merchant of record, but is not directly involved in the sales transactions between merchants and customers. Company B concludes that it should report revenue net for the fee earned in the transaction (that is, the 6 percent fee) because of the near absence of gross reporting indicators and the presence of persuasive net reporting indicators. The merchant, and not Company B, is the primary obligor to the retail customer, a strong indicator that revenue should be reported net. Company B has no fulfillment or customer service role with respect to the delivery of the products ordered or their acceptability. Company B has no latitude or control over the prices charged to customers and earns a fixed amount (6 percent) from each transaction. The only indicator of gross reporting is that Company B assumes credit risk for the amounts billed on customer credit cards and that risk is mitigated by controls in place that allow the merchant to ship the product only after approval of the credit card charge, delayed remittance of sale proceeds to the merchant, and the 5 percent hold-back.

#### **Example 7**

Company C sells access to industrial application software that assists customers in managing their energy usage levels. Billings are on standard 30-day terms. Company C's software is resident on Company C's hardware and is accessed through the Internet. Company C's software incorporates software from another vendor. In its marketing literature and sales contracts, Company C clearly states that its software includes the other vendor's software (by name) and that the customer has the right to use that software as a component of Company C's software. (The other software vendor is not party to the sales contract between Company C and the customer.) Company C sells access to its software for \$50,000 per year and pays the other vendor a fixed fee of \$15,000 per year for each annual access right sold. Currently, Company C has complete discretion in determining the selling price.

**Evaluation:** Company C concludes that it should report its revenue from software access gross at an annual total of \$50,000 per copy. [Note that the timing of recognition of that revenue is not within the scope of this Issue.] Company C is primarily responsible

to the customer for providing access to the "total solution" software, a strong indicator of gross reporting. Company C has complete control over the sales price and has developed or physically changed its software (irrespective of the use of components from others), both indicators of gross reporting. Company C has discretion to incorporate any other vendor software into its software, irrespective of the fact that changing to another vendor for a component would be difficult or expensive or that Company C's agreement with its current supplier makes that supplier the exclusive supplier of the component for a stated period of time. Company C determines software specifications, an indicator of gross reporting. Company C has full credit risk under its credit policies with customers, a weaker indicator of gross reporting. No indicators of net reporting are present.

#### **Example 8**

Bank D is a large bank that provides a wide range of services to customers. One popular offering is payroll processing with direct deposit. Bank D provides the interface with its customers but has a contract with a major payroll processing service to handle all aspects of the payroll processing. When a Bank D customer needs assistance with payroll processing, the customer service department of the processor answers the telephone announcing "Bank D Payroll Processing Service." The customer also may directly contact Bank D and the customer's account manager will coordinate with the processor. The customer is aware that Bank D outsources the payroll processing service; however, the contract for the processing establishes Bank D as the obligated party for all aspects of the processing. The processor is not a party to that contract. Bank D has complete discretion in determining the fees to be charged for the payroll processing service.

**Evaluation:** Bank D concludes that it should report the fees from payroll processing gross. Bank D is primarily responsible to the customer for providing the service, a strong indicator of gross reporting, even though Bank D outsources certain processes to an unrelated party. Bank D has complete control over the fees charged to customers and discretion at any time to engage any of a number of payroll processors to perform the service, both indicators of gross revenue reporting. Bank D has credit risk; however, fees for payroll services are debited to a customer's account at the time payroll is distributed, providing weak, if any, support for gross reporting. No indicators of net reporting are present.

#### **Example 9**

Bank E is a large bank providing a wide range of services to customers. One popular offering is payroll processing with direct deposit. Bank E and Payroll Processor F have announced a "partnering" agreement that is used in marketing packaged banking and payroll services. Customers arrange for the service through Bank E and the service contract involves three parties: Bank E, Payroll Processor F, and the customer. Customers pay for the service based on a single fee schedule and are unaware of how much of the fee is earned by Bank E for its banking services and how much is earned by Payroll Processor F for its payroll processing services. All customer billing matters are handled by Bank E and any credit losses are shared by Bank E and Payroll Processor F based on their agreement. Bank E and Payroll Processor F have an agreement that

specifies (a) how customer fees are to be allocated and (b) that Bank E and Payroll Processor F individually bear the credit risk for the fees allocated to them.

**Evaluation:** Bank E concludes that it should report revenue for the fees billed for payroll processing net of the amount remitted to Payroll Processor F. The customer views Payroll Processor F as primarily responsible for its segment of the overall services and views Bank E as an agent for Payroll Processor F responsible for billing, an indicator of net reporting. Bank E has no pricing discretion for the fees charged for Payroll Processor F's services, pointing to net reporting by Bank E of its portion of the revenue. Bank E and Payroll Processor F bear their separate credit risk, an indicator of net reporting. No indicators of gross reporting are present.

#### **Example 10**

Company H provides Internet-based advertising services to companies that want targeted "web surfers" to see their banner ads. Company H and the advertiser (in this example, a golf equipment manufacturer) agree on the goals of the ads and the demographics of the targeted individuals (that is, golfers). Company H utilizes data gathered about web surfers through the means of a software "cookie" placed on the computers of over 2 million people. Those cookies analyze surfing habits and forward that information to Company H. As part of this sophisticated overall service provided to advertisers, Company H purchases advertisement "impressions" or space on various web sites in which the advertiser's message can appear. When a surfer meeting the demographic profile desired by the advertiser visits a site regarding golf, and if Company H has arranged for impressions with that host site, then the surfer will see an ad for the advertiser's newest equipment styles. Company H purchases those impressions for \$1 per 1,000 impressions and maintains an inventory of those impressions on certain major host sites that may be of interest to a number of advertisers. Company H prices the advertising services that include the impressions and the system that targets users at \$3 per 1,000 impressions. Company H views those impressions as minor components of the service product offered. Company H has traditional trade accounts receivable terms for its customers.

**Evaluation:** Company H concludes that the revenue from its advertising services should be recorded gross. Company H performs much more service than simply finding ad space for advertisers that (by contract) view Company H as the primary obligor, a strong indicator of gross reporting. Company H has general inventory risk related to those web site impressions that are purchased in advance, an indicator of gross reporting. Company H has latitude in establishing the price charged, an indicator of gross reporting. Company H's comprehensive and complex demographic targeting and accurate pinpointing of those persons who should see an advertiser's message represent a significant portion of the service provided and, therefore, is an indicator of gross reporting. Company H has discretion as to those host sites whose banner ad space will be purchased (even though an advertiser may request certain sites) and is highly involved in the determination of service specifications (that is, the nature, type, characteristics, and specifications of the ad services), indicating gross reporting. Company H has credit risk, a weaker indicator of gross reporting. No indicators of net reporting are present.

**Example 11**

"Matchmaker" provides the service of matching companies needing advertising space for their advertisements with companies that have advertising space to sell. Matchmaker arranges for space and marks up the price by its fee (while that fee often is equal to 15 percent of the amount charged by the supplier of advertising space, the actual fee is a result of negotiations between Matchmaker and its customers). "Advertiser" needs to purchase advertising space. "Newspaper" is a major newspaper with advertising space to sell.

Advertiser and Matchmaker enter into a service agreement for Matchmaker to find appropriate advertising space. The agreement requires Advertiser to accept advertising space located by Matchmaker if certain criteria are met. Matchmaker reserves appropriate space for Advertiser at Newspaper. Matchmaker is obligated to purchase the space even if Advertiser cancels the advertisement; however, since Advertiser has engaged Matchmaker to find the advertising space, cancellation is unlikely. Advertiser pays Matchmaker 115 percent of Newspaper's rate and Matchmaker pays Newspaper the net amount. Matchmaker provides Advertiser's advertising copy to Newspaper to print and issue. The contract between Matchmaker and Advertiser requires Advertiser to seek remedies from Newspaper for defects in advertisements (for example, improper placement or poor quality print).

**Evaluation:** Certain of the indicators point to gross reporting, while others point to net reporting. Matchmaker concludes that revenues should be reported net based on the net indicator that Newspaper is the *primary obligor*. Two indicators of gross reporting were identified; however, Matchmaker did not consider them sufficiently strong to overcome the net indicators. Those gross indicators are (a) Matchmaker has a low-level general inventory risk because Matchmaker is obligated to pay Newspaper for the advertising space even if Advertiser cancels the advertisement (however, this risk is mitigated because Advertiser specifically engaged Matchmaker to obtain the advertising space) and (b) Matchmaker has credit risk for collecting the amount billed to Advertiser.

**Example 12**

Consolidator negotiates with major airlines to obtain access to airline tickets at reduced rates compared with the cost of tickets sold directly by the airlines to the public. Consolidator determines the prices at which the airline tickets will be sold to its customers and markets the tickets through advertisements in newspapers and magazines as well as the Internet. The reduced rate paid to an airline by Consolidator for each ticket sale is negotiated and agreed to in advance. Consolidator agrees to buy a specific number of tickets, and must pay for those tickets regardless of whether it is able to resell them. Customers pay for airline tickets using credit cards, and Consolidator is the merchant of record. Although credit card charges are pre-authorized, Consolidator incurs occasional losses as a result of disputed charges. Consolidator is responsible for the delivery of an airline ticket to the customer and bears the risk of physical loss of that ticket while in transit (although the airline has procedures for refunding lost tickets). Consolidator also facilitates resolutions of complaints by its customers regarding service provided by

airlines; however, once a customer receives a ticket, the airline is responsible for fulfilling all obligations associated with the ticket.

**Evaluation:** After applying the indicators, Consolidator concludes, based on the qualitative weight of the gross and net indicators, that revenue from the sale of tickets should be reported for the gross amount billed to customers. General inventory risk exists for the tickets purchased by Consolidator, a strong indicator of gross reporting. Ticket pricing also points to gross reporting as Consolidator has complete latitude to set sales prices for tickets and, as a result, the amount Consolidator earns will vary. Weaker indicators of gross reporting are also present for physical loss inventory risk (loss of tickets during delivery) and credit risk for collecting customer credit card charges. The fact pattern seems to indicate that the airlines are the primary obligors, as only the airlines can fulfill the air travel transportation of a customer, an indicator of net reporting. However, Consolidator assists customers in resolving service complaints, a function associated with the primary obligor role.

### **Example 13**

Travel Discounter negotiates with major airlines to obtain access to airline tickets at reduced rates compared with the cost of tickets sold directly by the airline to the public. Travel Discounter determines the prices at which the airline tickets will be sold to its customers and markets the tickets through advertisements in newspapers and magazines as well as the Internet. When marketing and selling tickets to customers, the carrier for a trip is identified. The reduced rate paid to an airline by Travel Discounter for each ticket sale is negotiated and agreed to in advance. Travel Discounter pays airlines only for tickets it actually sells to customers. Customers pay for airline tickets using credit cards, and Travel Discounter is the merchant of record. Although credit card charges are pre-authorized, Travel Discounter incurs occasional losses as a result of disputed charges. Travel Discounter is responsible for the delivery of an airline ticket to the customer and bears the risk of physical loss of that ticket while in transit (although the airline has procedures for refunding lost tickets). Travel Discounter also assists the customer in resolving complaints with the service provided by the airlines. However, once a customer receives a ticket, the airline is responsible for fulfilling all obligations associated with the ticket, including remedies to a customer for service dissatisfaction.

**Evaluation:** Travel Discounter concludes that revenues should be reported net. The strongest indicator that is also the sole indicator of net reporting is that the airline is the *primary obligor* from the perspective of the customer. Three weaker indicators of gross reporting were identified, including (a) pricing latitude, (b) physical loss of the ticket during shipping, and (c) credit risk (for collecting amounts charged to credit cards). Travel Discounter considered whether it has discretion in selecting the airline and concluded that it does not because Travel Discounter may only suggest a named airline to a customer and the customer has the discretion to accept or reject that suggestion prior to ticket purchase. The strong indicator of gross reporting, general inventory risk, is not present.



OCT 27 2015

NEVADA STATE BOARD  
OF PHARMACY

## BEFORE THE NEVADA STATE BOARD OF PHARMACY

NEVADA STATE BOARD OF PHARMACY,	)	CASE NO. 15-056-PT-N
	)	
Petitioner,	)	
v.	)	
	)	NOTICE OF INTENDED ACTION
JENNIFER (GENTINE) WATSON, PT	)	AND ACCUSATION
Certificate of Registration No. PT07728,	)	
	)	
Respondent.	/	

Larry L. Pinson, in his official capacity as Executive Secretary of the Nevada State Board of Pharmacy, makes the following that will serve as both a notice of intended action under Nevada Revised Statutes (NRS) 233B.127(3), and as an accusation under NRS 639.241.

## I.

The Nevada State Board of Pharmacy (Board) has jurisdiction over this matter because Respondent Jennifer (Gentine)<sup>1</sup> Watson, PT (Ms. Watson), Certificate of Registration No. PT07728, was a registered pharmaceutical technician with the Board at the time of the events alleged herein.

## II.

On or about August 19, 2015, the Save-Mart Director of Pharmacy Operations, Nevada District, reported that Ms. Watson terminated her employment with Save-Mart Pharmacy #551 (Save-Mart). Ms. Watson terminated her employment subsequent to being confronted by the pharmacy manager, Robert Mai (Mr. Mai), regarding discrepancies in the quantity of medication contained in filled controlled substance prescriptions.

## III.

On July 15, 2015, Mr. Mai discovered discrepancies when conducting a physical count of two different customer's controlled substance prescription medications while in the presence of each customer. Four tablets were missing from one of the prescription bottles and two tablets were missing from the other.

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<sup>1</sup> Ms. Watson registered as a pharmaceutical technician with the Nevada Board under the last name of "Gentine." She reported a name change to "Watson" to Save Mart's corporate office on July 21, 2014. The name change was not reported to the Board.

IV.

Mr. Mai questioned Ms. Watson regarding the discrepancies. Ms. Watson admitted to Mr. Mai, and in a written statement, to diverting an approximate combined total of fifty (50) methadone 10 mg. tablets and oxycodone 5 mg. tablets. Ms. Watson indicated that she would remove "a couple of pills out of patients filled Rx at the out window" where medications are picked up by the customer.

V.

On July 24, 2015, Ms. Watson returned to Save-Mart to collect her final paycheck. Thomas Franzese, Save-Mart Loss Prevention, detained Ms. Watson in the security department and contacted the Carson City Sheriff's Department. Ms. Watson was arrested. The arresting officer referred the case to the Carson City District Attorney's Office.

**FIRST CAUSE OF ACTION**

VI.

By diverting controlled substances, Jennifer (Gentine) Watson violated Nevada Revised Statute (NRS) 453.331(1)(d) and NRS 453.336(1), as well as Nevada Administrative Code (NAC) 639.945(1)(h), which violations are grounds for action pursuant to NRS 639.210(1), (4), (11), and/or (12), as well as NRS 639.255.

WHEREFORE, it is requested that the Nevada State Board of Pharmacy take appropriate disciplinary action with respect to the certificate of registration of this respondent.

Signed this 27<sup>th</sup> day of October, 2015.

  
Larry L. Pinson, Pharm.D., Executive Secretary  
Nevada State Board of Pharmacy

**NOTICE TO RESPONDENT**

You have the right to show the Nevada State Board of Pharmacy that your conduct, as alleged above, complies with all lawful requirements regarding your certificate of registration. To do so, you must mail to the Board within 15 days of your receipt of this Notice of Intended Action and Accusation a written statement showing your compliance.

**BEFORE THE NEVADA STATE BOARD OF PHARMACY**

<b>NEVADA STATE BOARD OF PHARMACY,</b>	)	<b>CASE NO. 15-056-PT-N</b>
	)	
<b>Petitioner,</b>	)	
<b>v.</b>	)	
	)	<b>STATEMENT TO THE RESPONDENT</b>
<b>JENNIFER (GENTINE) WATSON, PT</b>	)	<b>NOTICE OF INTENDED ACTION</b>
<b>Certificate of Registration No. PT07728</b>	)	<b>AND ACCUSATION</b>
	)	<b>RIGHT TO HEARING</b>
<b>Respondent.</b>	)	
	/	

---

TO THE RESPONDENT ABOVE-NAMED: PLEASE TAKE NOTICE THAT:

I.

Pursuant to the authority and jurisdiction conferred upon the Nevada State Board of Pharmacy (Board) by NRS 639.241 to NRS 639.2576, inclusive, and NRS chapter 233B, a Notice of Intended Action and Accusation has been filed with the Board by the Petitioner, Larry L. Pinson, Executive Secretary for the Board, alleging grounds for imposition of disciplinary action by the Board against you, as is more fully explained and set forth in the Notice of Intended Action and Accusation served herewith and hereby incorporated reference herein.

II.

You have the right to a hearing before the Board to answer the Notice of Intended Action and Accusation and present evidence and argument on all issues involved, either personally or through counsel. Should you desire a hearing, it is required that you complete two copies of the Answer and Notice of Defense documents served herewith and file said copies with the Board within fifteen (15) days of receipt of this Statement and Notice, and of the Notice of Intended Action and Accusation served within.


III.

The Board has reserved Wednesday, December 2, 2015, as the date for a hearing on this matter at the Hyatt Place, 1790 East Plumb Lane, Reno, Nevada. The hour of the hearing will be set by letter to follow.

IV.

Failure to complete and file your Notice of Defense with the Board and thereby request a hearing within the time allowed shall constitute a waiver of your right to a hearing in this matter and give cause for the entering of your default to the Notice of Intended Action and Accusation filed herein, unless the Board, in its sole discretion, elects to grant or hold a hearing nonetheless.

DATED this 27<sup>th</sup> day of October, 2015.

  
Larry L. Pinson, Pharm.D., Executive Secretary  
Nevada State Board of Pharmacy

**BEFORE THE NEVADA STATE BOARD OF PHARMACY**

<b>NEVADA STATE BOARD OF PHARMACY,</b>	)	<b>CASE NO. 15-056-PT-N</b>
	)	
<b>Petitioner,</b>	)	
<b>v.</b>	)	
	)	
<b>JENNIFER (GENTINE) WATSON, PT</b>	)	<b>ANSWER AND NOTICE</b>
<b>Certificate of Registration No. PT07728</b>	)	<b>OF DEFENSE</b>
	)	
<b>Respondent.</b>	)	
	/	

---

Respondent above named, in answer to the Notice of Intended Action and Accusation filed in the above-entitled matter before the Nevada State Board of Pharmacy, declares:

1. That his objection to the Notice of Intended Action and Accusation as being incomplete or failing to state clearly the charges against him, is hereby interposed on the following grounds: (State specific objections or insert "none").

2. That, in answer to the Notice of Intended Action and Accusation, he admits, denies and alleges as follows:

I hereby declare, under penalty of perjury, that the foregoing Answer and Notice of Defense, and all facts therein stated, are true and correct to the best of my knowledge.

DATED this \_\_\_\_ day of \_\_\_\_\_, 2015.

---

JENNIFER (GENTINE) WATSON, PT

OCT 27 2015

NEVADA STATE BOARD  
OF PHARMACY

## BEFORE THE NEVADA STATE BOARD OF PHARMACY

NEVADA STATE BOARD OF PHARMACY,	)	CASE NO. 15-055-MP-N
	)	
Petitioner,	)	
v.	)	
	)	
VITAL CARE HEALTH SERVICES	)	NOTICE OF INTENDED ACTION
Certificate of Registration No. MP00060	)	AND ACCUSATION
	)	
	)	
Respondent.	/	

Larry L. Pinson, in his official capacity as Executive Secretary of the Nevada State Board of Pharmacy, makes the following that will serve as both a notice of intended action under Nevada Revised Statutes (NRS) 233B.127(3) and as an accusation under NRS 639.241.

## I.

The Nevada State Board of Pharmacy (Board) has jurisdiction over this matter because Respondent Vital Care Health Services (Vital Care), Certificate of Registration No. MP00060, was a registered Medical Devices, Equipment and Gases (MDEG) provider with the Board at the time of the events alleged herein.

## II.

On or about August 6, 2015, respiratory therapist (RT) Duayne Meinert of Sierra Pulmonary filed a consumer complaint with the Board Office on behalf of patient J.A. The complaint alleges that Vital Care, a subsidiary of Rotech Health, failed to set J.A.'s auto-servo ventilator to the correct pressures as prescribed by J.A.'s physician.

## III.

On May 11, 2015, patient J.A. saw her physician Dr. L. at Sierra Pulmonary. Dr. L. subsequently prescribed a Respironics System One Pro Auto Servo Ventilator (ASV) with heated humidifier, heated tubing and Smart Card with Apnea-Hypopnea Index (AHI) compliance data set to the following:

Min EPAP (Expiratory Positive Airway Pressure): 7  
Max EPAP (Expiratory Positive Airway Pressure): 7  
Min PS (Pressure Support): 0  
Max PS (Pressure Support): 13  
Max Pressure: 20  
Backup Rate: Auto

#### IV.

On July 15, 2015, Vital Care RT Jim Burr setup and delivered the ASV to patient J.A. During setup, RT Burr set the Max Pressure to 13cmH2O rather than the 20cmH2O as prescribed. RT Burr also incorrectly set the Max Pressure Support to 6cmH2O instead of the prescribed 13cmH2O.

#### V.

On August 6, 2015, RT Meinert downloaded and reviewed J.A.'s patient compliance information from her ASV. He discovered that the pressures were not setup according to what the physician ordered. RT Meinert contacted Rotech Healthcare and reported the error.

#### VI.

Rotech Healthcare District Manager Trina Woods (Ms. Woods) conducted an internal investigation. Ms. Woods confirmed that RT Burr failed to setup J.A.'s ASV Max Pressure and Max Pressure support per the specific instructions of patient J.A.'s prescriber, Dr. L.

#### VII.

Ms. Woods discussed the findings of Rotech Healthcare's internal investigation with RT Burr. RT Burr refused to provide a statement regarding the incident. RT Burr resigned his position with Vital Care Health Services effective August 26, 2015.

#### VIII.

Nevada Administrative Code (NAC) 639.945(1)(d) states that "[f]ailing strictly to follow the instructions of the person writing, making or ordering a prescription or chart order . . . " constitutes ". . . unprofessional conduct or conduct contrary to the public interest."



IX.

NAC 639.6941(1) makes the provisions of NAC 639.945 applicable to medical product providers.

X.

NAC 639.6941(1)(e) further provides that “[p]erforming or allowing any employee or agent of the medical products provider or medical products wholesaler to perform services beyond the training, competency, ability or knowledge of the employee or agent . . .” constitutes “unprofessional conduct or conduct contrary to the public interest.”

XI.

Per NAC 639.6941(2), “[t]he owner of a medical products provider is responsible for the acts of his or her business administrator and employees.” *See also* NAC 639.945(2).

XII.

The Board Investigator’s attempts to contact RT Burr were unsuccessful.

XIII.

Board Staff has referred the case to the Nevada Board of Medical Examiners, RT’s licensing Board, for investigation and possible prosecution.

**FIRST CAUSE OF ACTION**

XIV.

As the MDEG in which the violations described herein occurred, Vital Care Health Services is responsible for the acts of its employee, RT Burr, pursuant to NAC 639.945(2) and NAC 639.6941(2). It is therefore subject to discipline pursuant to NRS 639.210(4) and (12), as well as NRS 639.255.


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\\

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WHEREFORE it is requested that the Nevada State Board of Pharmacy take appropriate disciplinary action with respect to the certificate of registration of this Respondent.

Signed this 27<sup>th</sup> day of October, 2015.

  
Larry L. Pinson, Pharm.D., Executive Secretary  
Nevada State Board of Pharmacy

**NOTICE TO RESPONDENT**

You have the right to show the Nevada State Board of Pharmacy that your conduct, as alleged above, complies with all lawful requirements regarding your certificate of registration. To do so, you must mail to the Board within 15 days of your receipt of this Notice of Intended Action and Accusation a written statement showing your compliance.

**BEFORE THE NEVADA STATE BOARD OF PHARMACY**

<b>NEVADA STATE BOARD OF PHARMACY,</b>	)	
	)	<b>CASE NO. 15-055-MP-N</b>
<b>Petitioner,</b>	)	
<b>v.</b>	)	
	)	<b>STATEMENT TO THE RESPONDENT</b>
<b>VITAL CARE HEALTH SERVICES</b>	)	<b>NOTICE OF INTENDED ACTION</b>
<b>Certificate of Registration No. MP00060</b>	)	<b>AND ACCUSATION</b>
	)	<b>RIGHT TO HEARING</b>
<b>Respondent</b>	/	

---

TO THE RESPONDENT ABOVE-SAMED: PLEASE TAKE NOTICE THAT:

I.

Pursuant to the authority and jurisdiction conferred upon the Nevada State Board of Pharmacy by NRS 639.241 to NRS 639.2576, inclusive, and NRS chapter 233B, a Notice of Intended Action and Accusation has been filed with the Board by the Petitioner, Larry L. Pinson, Executive Secretary for the Board, alleging grounds for imposition of disciplinary action by the Board against you, as is more fully explained and set forth in the Notice of Intended Action and Accusation served herewith and hereby incorporated reference herein.

II.

You have the right to a hearing before the Nevada State Board of Pharmacy to answer the Notice of Intended Action and Accusation and present evidence and argument on all issues involved, either personally or through counsel. It is required that you complete two copies of the Answer and Notice of Defense documents served herewith and file said copies with the Nevada State Board of Pharmacy within fifteen (15) days of receipt of this Statement and Notice, and of the Notice of Intended Action and Accusation served within.


III.

The Board has reserved Wednesday, December 2, 2015, as the date for a hearing on this matter at the Hyatt Place, 1790 East Plumb Lane, Reno, Nevada. The hour of the hearing will be set by letter to follow.

IV.

Failure to complete and file your Notice of Defense with the Board and thereby request a hearing within the time allowed shall constitute a waiver of your right to a hearing in this matter and give cause for the entering of your default to the Notice of Intended Action and Accusation filed herein, unless the Board, in its sole discretion, elects to grant or hold a hearing nonetheless.

DATED this 27<sup>th</sup> day of October, 2015.

  
Larry L. Pinson, Pharm.D., Executive Secretary  
Nevada State Board of Pharmacy

**BEFORE THE NEVADA STATE BOARD OF PHARMACY**

<b>NEVADA STATE BOARD OF PHARMACY,</b>	)	
	)	<b>CASE NO. 15-055-MP-N</b>
<b>Petitioner,</b>	)	
<b>v.</b>	)	
	)	<b>ANSWER AND</b>
<b>VITAL CARE HEALTH SERVICES</b>	)	<b>NOTICE OF DEFENSE</b>
<b>Certificate of Registration No. MP00060</b>	)	
	)	
<b>Respondent</b>	/	

---

Respondent above named, in answer to the Notice of Intended Action and Accusation filed in the above-entitled matter before the Nevada State Board of Pharmacy, declares:

1. That his objection to the Notice of Intended Action and Accusation as being incomplete or failing to state clearly the charges against him, is hereby interposed on the following grounds: (State specific objections or insert "none").

2. That, in answer to the Notice of Intended Action and Accusation, he admits, denies and alleges as follows:

I hereby declare, under penalty of perjury, that the foregoing Answer and Notice of Defense, and all facts therein stated, are true and correct to the best of my knowledge.

DATED this \_\_\_\_ day of \_\_\_\_\_, 2015.

---

Vital Care Health Services

# NEVADA STATE BOARD OF PHARMACY

431 W Plumb Lane – Reno, NV 89509

## APPLICATION FOR OUT-OF-STATE PHARMACY LICENSE

\$500.00 Fee made payable to: Nevada State Board of Pharmacy

(non-refundable and not transferable money order or cashier's check only)

Application must be printed legibly or typed

Any misrepresentation in the answer to any question on this application is grounds for refusal or denial of the application or subsequent revocation of the license issued and is a violation of the laws of the State of Nevada.

☒ New Pharmacy or ☐ Ownership Change (Provide current license number if making changes: PH\_\_\_\_)  
Check box below for type of ownership and complete all required forms.

☐ Publicly Traded Corporation – Pages 1,2,3,7

☐ Partnership – Pages 1,2,5,7

☒ Non Publicly Traded Corporation – Pages 1,2,4,7

☐ Sole Owner – Pages 1,2,6,7

### GENERAL INFORMATION to be completed by all types of ownership

Pharmacy Name: Care Solutions, Inc.

Physical Address: 1838 Elm Hill Pike, Suite 117

Mailing Address: 1838 Elm Hill Pike, Suite 117

City: Nashville State: TN Zip Code: 37210

Telephone: 615-329-2288 Fax: 615-333-8431

Toll Free Number: 800-830-4321 (Required per NAC 639.708)

E-mail: pharmon@caresolution.net Website: \_\_\_\_\_

Managing Pharmacist: Pamela Flohr License Number: 3931

### TYPE OF PHARMACY

AND

### SERVICES PROVIDED

Yes/No

- ☐ ☒ Retail
- ☐ ☒ Hospital (# beds \_\_\_\_\_)
- ☐ ☒ Internet
- ☐ ☒ Nuclear
- ☐ ☒ Ambulatory Surgery Center
- ☐ ☒ Community
- ☐ ☒ Other: Home Infusion

All boxes must be checked

For the application to be complete

Yes/No

- ☐ ☒ Off-site Cognitive Services
- ☒ ☐ Parenteral \*\*
- ☒ ☐ Parenteral (outpatient)
- ☐ ☒ Outpatient/Discharge
- ☐ ☒ Mail Service
- ☐ ☒ Long Term Care
- ☒ ☐ Sterile Compounding \*\*
- ☐ ☒ Non Sterile Compounding
- ☒ ☐ Mail Service Sterile Compounding \*\*
- ☐ ☒ Other Services: \_\_\_\_\_

**\*\*If you check "yes" on any of these types of services, you will be required to make an appearance at the board meeting,**

90765

## APPLICATION FOR OUT-OF STATE PHARMACY LICENSE

This page must be submitted for all types of ownership.

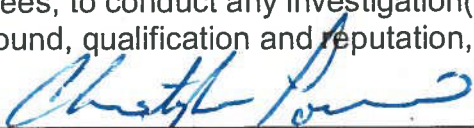
Within the last five (5) years:

- 1) Has the corporation, any owner(s), shareholder(s) or partner(s) with any interest, ever been charged, or convicted of a felony or gross misdemeanor (including by way of a guilty plea or no contest plea)? Yes ☐ No ☒
- 2) Has the corporation, any owner(s), shareholder(s) or partner(s) with any interest, ever been denied a license, permit or certificate of registration? Yes ☐ No ☒
- 3) Has the corporation, any owner(s), shareholder(s) or partner(s) with any interest, ever been the subject of an administrative action, board citation, site fine or proceeding relating to the pharmaceutical industry? Yes ☐ No ☒
- 4) Has the corporation, any owner(s), shareholder(s) or partner(s) with any interest, ever been found guilty, pled guilty or entered a plea of nolo contendere to any offense federal or state, related to controlled substances? Yes ☐ No ☒
- 5) Has the corporation, any owner(s), shareholder(s) or partner(s) with any interest, ever surrendered a license, permit or certificate of registration voluntarily or otherwise (other than upon voluntary close of a facility)? Yes ☐ No ☒

**If the answer to question 1 through 5 is "yes", a signed statement of explanation must be attached.** Copies of any documents that identify the circumstance or contain an order, agreement, or other disposition may be required.

I hereby certify that the answers given in this application and attached documentation are true and correct. I understand that any infraction of the laws of the State of Nevada regulating the operation of an authorized pharmacy may be grounds for the revocation of this permit.

I have read all questions, answers and statements and know the contents thereof. I hereby certify, under penalty of perjury, that the information furnished on this application are true, accurate and correct. I hereby authorize the Nevada State Board of Pharmacy, its agents, servants and employees, to conduct any investigation(s) of the business, professional, social and moral background, qualification and reputation, as it may deem necessary, proper or desirable.

  
Original Signature of Person Authorized to Submit Application, no copies or stamps

Christopher Powers  
Print Name of Authorized Person

10.20.15  
Date

Page 2

Board Use Only

Date Processed: \_\_\_\_\_

Amount: \$500.00



APPLICATION FOR OUT-OF-STATE PHARMACY LICENSE

**OWNERSHIP IS A NON PUBLICLY TRADED CORPORATION**

State of Incorporation: Florida  
Parent Company if any: N/A  
Mailing Address: 1838 Elm Hill Pike, Suite 117  
City: Nashville State: TN Zip: 37210  
Telephone: 615-329-2288 Fax: 615-333-8431  
Contact Person: Pamala Harmon

For any corporation non publicly traded, disclose the following:

- 1) List top 4 persons to whom the shares were issued by the corporation?

a) Timothy Powers 1821 Legion Drive Winter Park, FL 32789  
Name Address

b) Andrew Miller 7944 Fisher Island Drive Miami, FL 33109  
Name Address

c) N/A  
Name Address

d) N/A  
Name Address

- 2) Provide the number of shares issued by the corporation. 300

- 3) What was the price paid per share? \$ .01

- 4) What date did the corporation actually receive the cash assets? May 6, 1992

- 5) Provide a copy of the corporation's stock register evidencing the above information

List any physician shareholders and percentage of ownership.

Name: N/A %: \_\_\_\_\_

Name: N/A %: \_\_\_\_\_

**Hours of Operation for the pharmacy:**

Monday thru Friday 8 am 5 pm

Sunday PRN am \_\_\_\_\_ pm

Saturday PRN am \_\_\_\_\_ pm

24 Hours X RPh available

A Nevada business license is not required, however if the pharmacy has a Nevada business license please provide the number: N/A



STATE OF TENNESSEE  
DEPARTMENT OF HEALTH  
DIVISION OF HEALTH LICENSURE AND REGULATION  
OFFICE OF HEALTH RELATED BOARDS  
665 Mainstream Drive, Second Floor  
Nashville, TN 37243  
<http://tn.gov/health>

Tennessee Board of Pharmacy  
Pharmacy  
1-800-778-4123 or

October 21, 2015

Care Solutions, Inc.  
1838 Elm Hill Pike. Ste. 117  
Nashville, TN 37210-3726

TO WHOM IT MAY CONCERN:

This verification can be considered primary source. To expedite the verification process, this is the standard format used by the Tennessee Board of Pharmacy. We are pleased to furnish the following information from our files:

PROFESSION: Pharmacy  
NAME: Care Solutions, Inc.  
1838 Elm Hill Pike, Ste. 117  
Nashville, TN 37210  
LICENSE NUMBER: 2325  
ISSUE DATE: August 13, 1992  
EXPIRATION DATE: October 31, 2016  
CURRENT STATUS: Licensed  
STATUS DATE: August 13, 1992  
SPECIAL ENDORSEMENT: Controlled Substance Registration  
Sterile Compounding



COMMENTS: There is derogatory information in our files concerning this facility. The State of Tennessee only provides the above information. Disciplinary information is available on our web site at <http://health.state.tn.us> or you may contact the licensee for further information.

Sincerely,

Tennessee Board of Pharmacy

VERFFACILITY

**BEFORE THE TENNESSEE STATE BOARD OF PHARMACY**

**IN THE MATTER OF:**

**CARE SOLUTIONS, INC. #2325  
5211 LINBAR DRIVE, SUITE 508  
NASHVILLE, TN 37211**

)  
)  
)  
)  
) **Case No. 2014002301**  
)

**CONSENT ORDER**

Comes now the Division of Health Related Boards of the Tennessee Department of Health (State), by and through the Office of General Counsel and Respondent, Care Solutions, Inc. (Respondent) and respectfully moves the Tennessee Board of Pharmacy (Board) for approval of this Consent Order affecting Respondent's pharmacy license in the State of Tennessee.

**I. Authority and Jurisdiction**

The Board regulates and supervises pharmacies, pharmacists, pharmacy technicians, and pharmaceutical manufacturers, wholesalers, and distributors licensed to practice pursuant to the Tennessee Pharmacy Practice Act (Practice Act), Tennessee Code Annotated Section (TENN. CODE ANN. §) 63-10-101, *et seq.*, including the discipline of licensees, as well as those who are required to be licensed, who violate the Practice Act and the Rules promulgated by the Board, Official Compilation of Rules and Regulations of the State of Tennessee (TENN. COMP. R. & REGS.), 1140-01-.01, *et seq.* The Board enforces the Practice Act to promote and protect the health, safety and welfare of the public; accordingly, it is the policy of the Board to require strict compliance with the law and to apply the law to preserve the quality of pharmacy care provided in Tennessee.

**II. Stipulations of Fact**

1. Respondent has been at all times pertinent hereto licensed by the Board as a pharmacy in

the State of Tennessee, having been granted license number 2325 on August 13, 1992, which currently has an expiration date of October 31, 2016.

2. On December 2, 2014, investigation revealed that Respondent relocated its facility to the Elm Hill Pike, Nashville, Tennessee location and had been doing business at that facility since November 19, 2014 without obtaining an inspection for the relocated facility.

### **III. Stipulated Grounds for Discipline**

3. The State of Tennessee Board of Pharmacy has the authority to revoke, suspend, or impose other lawful disciplinary action, including a civil penalty for any violation of any laws relating to drugs or to the practice of pharmacy and/or the Board's rules pursuant to TENN. CODE ANN. §63-10-305, and TENN. COMP. R. & REG. 1140-08-.01 [CIVIL PENALTIES].
4. The Stipulations of Fact are sufficient to establish that Respondent has violated the following statutes or rules which are part of the Act, TENN. CODE ANN. § 63-10-101, *et seq.* and TENN. COMP. R. & REGS., 1140-01-.01, *et seq.*, for which disciplinary action by the Board is authorized.
5. The facts stipulated in paragraphs 2 and 3, *supra*, constitute grounds for which the Board may discipline a Respondent's license to practice pharmacy pursuant to Tenn. Comp. R. & Regs. 1140-01-.08 [APPLICATION FOR PHARMACY PRACTICE SITE, MANUFACTURER AND WHOLESALE/DISTRIBUTOR LICENSES], the relevant portion of which reads as follows:

(1) Application for a license to operate as a pharmacy practice site, manufacturer or wholesaler/distributor within the state of Tennessee shall be submitted to the office of the board at least thirty (30) days prior to the scheduled opening date. No pharmacy practice site, manufacturer or wholesaler/distributor may open within the state of Tennessee until

a license has been obtained; and such license will not be issued until an inspection by an authorized representative of the board has been made.

(2) An application for an existing pharmacy practice site, manufacturer or wholesaler/distributor physically located within the state of Tennessee must be filed when the pharmacy practice site, manufacturer or wholesaler/distributor changes name, location or ownership.

#### **IV. Stipulated Disposition**

6. Without admitting to the truth of the allegations herein or to any alleged failure to comply with a lawful order or duly promulgated rule in violation(s) of Tenn. Code Ann. § 63-10-305(8) and for the purpose of avoiding further administrative actions with respect to this cause, Respondent agrees to the following:

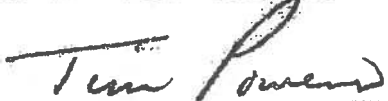
Respondent agrees to pay a **one thousand dollar (\$1,000.00) civil penalty** due and payable immediately upon execution of this Consent Order.

#### **V. Notice**


7. The Respondent, by its signature to this Consent Order, waives the right to a contested case hearing and any and all rights to judicial review in this matter. Respondent agrees that presentation to and consideration of this Consent Order by the Board for ratification and all matters divulged during that process shall not constitute unfair disclosure such that the Board or any of its members shall be prejudiced to the extent that requires their disqualification from hearing this matter should this Order not be ratified. Likewise, all matters, admissions and statements disclosed or exchanged during the attempted ratification process shall not be used against the Respondent in any subsequent proceeding unless independently entered into evidence or introduced as admissions.

8. Respondent expressly waives all further procedural steps and expressly waives all rights to seek judicial review of or to challenge or contest the validity of this Consent Order. Respondent understands that by signing this Consent Order, Respondent is allowing the Board to issue its order without further process. In the event that the Board rejects this Consent Order for any reason, it will be of no force or effect for either party.
9. Should this Consent Order not be accepted by the Board, it is agreed that the presentation and consideration of this Consent Order shall not unfairly or illegally prejudice the Board or any of its members from further participation in or resolution of these proceedings, including a formal disciplinary hearing.
10. Furthermore, Respondent acknowledges that they understand that they have a right to a hearing under the provisions of the Uniform Administrative Procedures Act, TENN. CODE ANN. Title 4, Chapter 5, but that they hereby waive that right in order to enter into this proposed Consent Order.
11. A violation of this Order shall constitute a **separate violation** of the Pharmacy Practice Act, TENN. CODE ANN. § 63-10-305(8), and is grounds for further disciplinary action by the Board.

**APPROVED FOR ENTRY:**

  
Representative of Care Solutions, Inc.  
Pharmacy License No. 2325  
Respondent

2/13/15  
DATE

  
\_\_\_\_\_  
Stefan Cange (BPR # 031057)  
Assistant General Counsel  
Tennessee Department of Health  
Office of General Counsel  
665 Mainstream Drive, 2<sup>nd</sup> Floor  
Nashville, Tennessee 37243  
(615) 741-1611

3/16/15  
\_\_\_\_\_  
DATE

**Approval by the Board**

Upon the agreement of the parties and the record as a whole, this **CONSENT ORDER** was approved as a **FINAL ORDER** by a majority of a quorum of the Tennessee Board of Pharmacy at a public meeting of the Board and signed this 11 day of March, 2015

**ACCORDINGLY, IT IS ORDERED** that the agreements of the parties will, and hereby do, become the Final Order of the Board.

  
\_\_\_\_\_  
Chairperson/Acting Chairperson  
Tennessee Board of Pharmacy

STATEMENT OF RESPONSIBILITY  
FOR PHARMACIES LOCATED OUTSIDE OF NEVADA

I, Christopher Powers  
Responsible Person of Care Solutions, Inc.

hereby acknowledge and understand that in addition to the corporation's, any owner(s), shareholder(s) or partner(s) responsibilities, may be responsible for any violations of pharmacy law that may occur in a pharmacy owned or operated by said corporation.

I further acknowledge and understand that the corporation's, any owner(s), shareholder(s) or partner(s) may be named in any action taken by the Nevada State Board of Pharmacy against a pharmacy owned by or operated by said corporation.

I further acknowledge and understand that the corporation's, any owner(s), shareholder(s) or partner(s) cannot require or permit the pharmacist(s) in said pharmacy to violate any provision of any local, state or federal laws or regulations pertaining to the practice of pharmacy.



Original Signature of Person Authorized to Submit Application, no copies or stamps

Christopher Powers  
Print Name of Authorized Person

10.20.15  
Date



# NEVADA STATE BOARD OF PHARMACY

431 W Plumb Lane – Reno, NV 89509

## APPLICATION FOR OUT-OF-STATE PHARMACY LICENSE

\$500.00 Fee made payable to: Nevada State Board of Pharmacy

(non-refundable and not transferable money order or cashier's check only)

Application must be printed legibly or typed

Any misrepresentation in the answer to any question on this application is grounds for refusal or denial of the application or subsequent revocation of the license issued and is a violation of the laws of the State of Nevada.

☒ New Pharmacy or ☐ Ownership Change (Provide current license number if making changes: PH \_\_\_\_\_)  
Check box below for type of ownership and complete all required forms.  
☐ Publicly Traded Corporation – Pages 1,2,3,7 ☐ Partnership – Pages 1,2,5,7  
☐ Non Publicly Traded Corporation – Pages 1,2,4,7 ☒ Sole Owner – Pages 1,2,6,7

### GENERAL INFORMATION to be completed by all types of ownership

Pharmacy Name: Premier Pharmacy Labs, Inc.  
Physical Address: 8265 Commercial way Welki Wacker 3134613  
Mailing Address: PO Box 6510  
City: Spring Hill State: Florida Zip Code: 34611  
Telephone: 800-752-7139 Fax: 800-868-4978  
Toll Free Number: 800-752-7139 (Required per NAC 639.708)  
E-mail: Linda@premierpharmacylabs.com Website: Premierpharmacylabs.com  
Managing Pharmacist: Andrea Bourgoin License Number: PS48923

TYPE OF PHARMACY	AND	SERVICES PROVIDED
Yes/No		Yes/No
<input checked="" type="checkbox"/> <input type="checkbox"/> Retail		<input type="checkbox"/> <input checked="" type="checkbox"/> Off-site Cognitive Services
<input type="checkbox"/> <input checked="" type="checkbox"/> Hospital (# beds _____)		<input checked="" type="checkbox"/> <input type="checkbox"/> Parenteral **
<input type="checkbox"/> <input checked="" type="checkbox"/> Internet		<input type="checkbox"/> <input checked="" type="checkbox"/> Parenteral (outpatient)
<input type="checkbox"/> <input checked="" type="checkbox"/> Nuclear		<input type="checkbox"/> <input checked="" type="checkbox"/> Outpatient/Discharge
<input type="checkbox"/> <input checked="" type="checkbox"/> Ambulatory Surgery Center		<input type="checkbox"/> <input checked="" type="checkbox"/> Mail Service
<input type="checkbox"/> <input checked="" type="checkbox"/> Community		<input type="checkbox"/> <input checked="" type="checkbox"/> Long Term Care
<input checked="" type="checkbox"/> <input type="checkbox"/> Other: _____		<input checked="" type="checkbox"/> <input type="checkbox"/> Sterile Compounding **
		<input checked="" type="checkbox"/> <input type="checkbox"/> Non Sterile Compounding
		<input checked="" type="checkbox"/> <input type="checkbox"/> Mail Service Sterile Compounding **
		<input type="checkbox"/> <input checked="" type="checkbox"/> Other Services: _____

All boxes must be checked  
For the application to be complete

\*\*If you check "yes" on any of these types of services, you will be required to make an appearance at the board meeting,

891724

## APPLICATION FOR OUT-OF STATE PHARMACY LICENSE

This page must be submitted for all types of ownership.

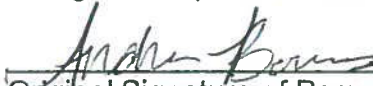
Within the last five (5) years:

- 1) Has the corporation, any owner(s), shareholder(s) or partner(s) with any interest, ever been charged, or convicted of a felony or gross misdemeanor (including by way of a guilty plea or no contest plea)? Yes ☐ No ☒
- 2) Has the corporation, any owner(s), shareholder(s) or partner(s) with any interest, ever been denied a license, permit or certificate of registration? Yes ☐ No ☒
- 3) Has the corporation, any owner(s), shareholder(s) or partner(s) with any interest, ever been the subject of an administrative action, board citation, site fine or proceeding relating to the pharmaceutical industry? Yes ☐ No ☒
- 4) Has the corporation, any owner(s), shareholder(s) or partner(s) with any interest, ever been found guilty, pled guilty or entered a plea of nolo contendere to any offense federal or state, related to controlled substances? Yes ☐ No ☒
- 5) Has the corporation, any owner(s), shareholder(s) or partner(s) with any interest, ever surrendered a license, permit or certificate of registration voluntarily or otherwise (other than upon voluntary close of a facility)? Yes ☐ No ☒

If the answer to question 1 through 5 is "yes", a signed statement of explanation must be attached. Copies of any documents that identify the circumstance or contain an order, agreement, or other disposition may be required.

I hereby certify that the answers given in this application and attached documentation are true and correct. I understand that any infraction of the laws of the State of Nevada regulating the operation of an authorized pharmacy may be grounds for the revocation of this permit.

I have read all questions, answers and statements and know the contents thereof. I hereby certify, under penalty of perjury, that the information furnished on this application are true, accurate and correct. I hereby authorize the Nevada State Board of Pharmacy, its agents, servants and employees, to conduct any investigation(s) of the business, professional, social and moral background, qualification and reputation, as it may deem necessary, proper or desirable.



Original Signature of Person Authorized to Submit Application, no copies or stamps

Andrea Bourgoin

Print Name of Authorized Person

21 August 2015

Date

Page 2

Board Use Only

Date Processed: 9/3/15

Amount: \$500.00

APPLICATION FOR OUT-OF-STATE PHARMACY LICENSE

**OWNERSHIP IS A SOLE OWNER.** All information relates to the person listed as the owner.

Owner's Name: Vern Allen

Business Name: Premier Pharmacy Labs, Inc.

Current Business Address: 8265 Commercial Way

City: Weeki Wachee State: FL Zip Code: 34613

Telephone: (800) 752-7139 Fax: (800) 868-4978

List any physician shareholders and percentage of ownership.

Name: NONE %: \_\_\_\_\_

Name: \_\_\_\_\_ %: \_\_\_\_\_

Name: \_\_\_\_\_ %: \_\_\_\_\_

Name: \_\_\_\_\_ %: \_\_\_\_\_

**Hours of Operation for the pharmacy:**

Monday thru Friday 9 am 5 pm

Saturday closed am \_\_\_\_\_ pm

Sunday closed am \_\_\_\_\_ pm

24 Hours \_\_\_\_\_

A Nevada business license is not required, however if the pharmacy has a Nevada business license please provide the number: \_\_\_\_\_

STATEMENT OF RESPONSIBILITY  
FOR PHARMACIES LOCATED OUTSIDE OF NEVADA

I, VERA ALLEN  
Responsible Person of Premier Pharmacy Labs Inc.  
hereby acknowledge and understand that in addition to the corporation's, any owner(s),  
shareholder(s) or partner(s) responsibilities, may be responsible for any violations of pharmacy law  
that may occur in a pharmacy owned or operated by said corporation.

I further acknowledge and understand that the corporation's, any owner(s), shareholder(s)  
or partner(s) may be named in any action taken by the Nevada State Board of Pharmacy against a  
pharmacy owned by or operated by said corporation.

I further acknowledge and understand that the corporation's, any owner(s), shareholder(s)  
or partner(s) cannot require or permit the pharmacist(s) in said pharmacy to violate any provision  
of any local, state or federal laws or regulations pertaining to the practice of pharmacy.

Vera Allen  
Original Signature of Person Authorized to Submit Application, no copies or stamps

VERA ALLEN  
Print Name of Authorized Person

08/24/2015  
Date

**Mission:**

To protect, promote & improve the health of all people in Florida through integrated state, county & community efforts.

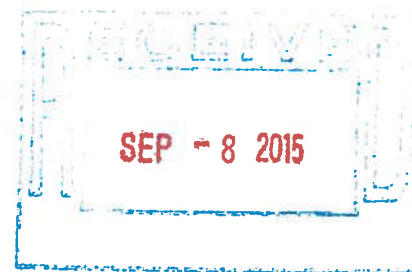


**Rick Scott**  
Governor

**John H. Armstrong, MD, FACS**  
State Surgeon General & Secretary

**Vision:** To be the Healthiest State in the Nation

September 1, 2015



Nevada Board of Pharmacy  
Licensing  
431 West Plumb Lane  
Reno, NV 89509

RE: License Certification for Premier Pharmacy Labs, Inc

To Whom It May Concern:

This is to certify the following information, maintained in the records of the Department of Health, for the above referenced Health Care Practitioner:

PROFESSION:	Pharmacy
LICENSE NUMBER:	PH27284
ORIGINAL CERTIFICATION:	12/11/2013
EXPIRATION DATE:	02/28/2017
CURRENT STATUS OF LICENSE:	CLEAR,
AGENCY ACTION:	No

To expedite the verification process, the above format is the standard format for all healthcare practitioners. If you have questions regarding the status of this license, please call the Customer Contact Center at (850) 488-0595, option 5.

Sincerely,

A handwritten signature in cursive script that reads "Cassandra Williams".

Cassandra Williams  
Regulatory Specialist II

/cw

**Florida Department of Health**

Division of Medical Quality Assurance • Bureau of Operations  
4052 Bald Cypress Way, Bin C-10 • Tallahassee, FL 32399-3260  
PHONE: (850) 245-4444 • FAX: (850) 245-4791

**www.FloridaHealth.gov**

TWITTER: HealthyFLA  
FACEBOOK: FLDepartmentofHealth  
YOUTUBE: fhdoh  
FLICKR: HealthyFla  
PINTEREST: HealthyFla

Blank



DO NOT FOLD OR STAPLE ABOVE THIS LINE

## Nevada State Board of Pharmacy - Renewal Application - PHARMACIST

431 W Plumb Lane • Reno, NV 89509 • bop.nv.gov

For the period of November 1, 2011 to October 31, 2015

Cashier's Check or Money Order ONLY (NO BUSINESS or PERSONAL CHECKS, NO CASH)

\$590.00 (postmarked after 10/31/2013 but BEFORE August 2015)

LICENSE #: 10751

DAVID MOLL

15425 SE RHINE ST

PORTLAND, OR 97236

Please make any changes to name or address next to the old information

### RENEW BY MAIL

1. Complete this form
2. Sign and date this form
3. Send payment with this form (do **NOT** staple)
4. Mail **original** form and payment to address above
5. NO COPIES ACCEPTED
6. NO SIGNATURE STAMPS ACCEPTED

**Section 1:** Since your last renewal or recent licensure have you: (Please fill in completely)

Yes No

Been diagnosed or treated for any mental illness, including alcohol or substance abuse, or Physical condition that would impair your ability to perform the essential functions of your license?.....☒ ☐

1. Been charged, arrested or convicted of a felony or misdemeanor in any state?.....☐ ☒
2. Been the subject of a board citation or an administrative action whether completed or pending in any state?.....☒ ☐
3. Had your license subjected to any discipline for violation of pharmacy or drug laws in any state?.....☐ ☒

If you marked YES to any of the numbered questions (1-3) above, please include the following information & provide documentation.

Board Administrative Action:	State: <u>SOR</u>	Date: <u>Oct 2013</u>	Case #: <u>2012-0401</u>
Criminal Action:	State: <u>CA</u>	Date: <u>April 2015</u>	County: <u>5352</u> Court: <u></u>

### Section 2:

Yes No

Are you the subject of a court order for the support of a child?.....☐ ☒  
If you marked YES to the question above, are you in compliance with that court order?.....☐ ☐

### Section 3:

By signing below, you certify that you have completed ALL required CE Hours due for the 11/15 Renewal period. (Dated from Nov. 1, 09 - Oct. 31, 13, 1.25hrs per mo.). The exemption period is 2yrs after graduation only.

30a

### Section 4: NON-DISCIPLINARY STATE-MANDATED QUESTIONS

1. Though it is **NOT** required to have, SB21 requires the Board to ask if you have a Nevada State Business license and if you do, please provide the #:  Leave blank if non-applicable

2. Have you ever served in the military, either active, reserve or retired? Yes ☒ No ☐ Branch: Commissioned Core  
Military occupation/specialty: Pharmacist/Amb Care Dates of service: Nov 1991-92

**Section 5:** It is a violation of Nevada law to falsify this application and sanctions will be imposed for misrepresentation. I hereby certify that I have read this application. I certify that all statements made are true and correct.

I attest to knowledge of and compliance with the guidelines of the Centers for Disease Control and Prevention concerning the prevention of transmission of infectious agents through safe and appropriate injection practices.

I understand that Nevada law requires a licensed pharmacist who, in their professional or occupational capacity, comes to know or has reasonable cause to believe, a child has been abused/neglected, to report the abuse/neglect to an agency which provides child welfare services or to a local law enforcement agency.

Original Signature: David Moll PharmD

Date: 8/16/15

15425 SE Rhine St  
Portland, OR 97236

August 6, 2015

Lisa J. Hedaria, Director of Finance/Technology  
Nevada State Board of Pharmacy  
431 W Plumb Ln  
Reno, NV 89509

Re: David Moll RPh – Lic 10751

Dear Lisa:

I am writing to follow up on our phone conversation from August 4<sup>th</sup> regarding my current licensing circumstances that would affect my licensure in Nevada. I am enclosing several documents that I have accumulated since my situation became an issue.

1. The Signed Oregon Consent Order (October 2013 for 3 years)
2. My attorney's letter to California State Board of Pharmacy (June 2015) (they want to revoke my license for the Oregon discipline)
3. My counselor's reference letter stating compliance with ongoing therapy requirement
4. The HPSP program (a part of Reliant Behavioral Health) – statement of compliance from agreement monitor, as stipulated
5. Certification of Achievement (Completion) of the Portland Dialectical Behavioral Therapy program as stipulated

## HISTORY

Thank you for the opportunity to explain my side of this awkward, painful, and unfortunate situation. I have not worked in pharmacy since I closed my business (as required); I believe this result stems from the current oversupply of pharmacists as well as the presence of the consent order on my license. Essentially from what I can gather, no one wants to deal with board paperwork when they have numerous candidates to choose from (despite my 24 years experience).

The Oregon Board of Pharmacy's consent order mentioned several 'sharp' terms that were part of my fit-for duty assessment that they ordered in 2012. I simply told the truth when asked questions by the counselor about such things as depression and suicide leading up to what turned out to be a personality disorder. Yes, I had suicidal thoughts but never had a plan. I was on high dose (60mg) fluoxetine, 300mg of bupropion, and 150mg of lamotrigine; my brain was speedily running like an out-of-control pottery wheel. I had prn 0.5mg lorazepam available which I only used occasionally for anxiety outbreaks. To get right to the cause, I was clearly overworking but could not stop enough for health breaks.

The reasons for that are multi-fold. First, my business could not sustain hiring a relief pharmacist at market wages because of the nature of insurance reimbursement and unpredictable cash flow. Back in 2012, the cost of generic drugs started rising out of sight, and the PBMs did not keep their databases up



to date for reimbursement purposes. So the number of prescriptions that were underpaid rose relatively quickly as prices were increasing literally overnight.

Two, this stress on the business spread to my employees and me, inappropriately but rightly so, expressing verbal 'pains' that the business was being financially stifled by forces beyond my control. This negative energy then trickled down to patient care so that aspect of the business declined as well, putting more added stress on me. I was making careless errors on prescriptions that I'd normally not commit; fortunately, none were harmful to any patients. In essence, I was spiraling down with the business because of these forces and the lack of adequate breaks.

I feel that I have been disciplined for 'working too hard'. If I were working for someone else, I don't think I would be let go for going over and above call of duty, nor would I be working so many hours per week. I had a total of 9 days break in 10 years, broken up into 3 sets of 3 days each. I was not open on weekends, but went in 2-3 weekends a month to conduct inventories or finish projects. I could not expand the business with immunizations, despite my employees wanting to participate, because I was unable to complete my part of the expansion plan. Again, my 'pottery wheel' speeding brain just could not handle being overwhelmed.

## THE BOARD PROCESSES

The board ordered me to get a 'fit for duty' assessment which was completed in October of 2012. I told the counselor exactly what was going on, and the board proceeded to put these issues, quoted directly from his report, on the initial accusation document. Since I have gotten the therapy and it took over 2 years to get my mental health back, I am happily the person I was before opening the business. However, now I am living with the consent order and its consequences.

The various terms utilized in the consent order stating I had 'impaired judgment, symptoms of suicidal ideation, difficulty in concentration and focus, anxiety and difficulty in problem solving' all were as a result of what was happening with me in my central nervous system. I liken it to an 'electrical short circuit in my brain'. Given that, I'd like to specifically write a few words on each.

Impaired Judgment: There is an incident on my record that was reported that I left the pharmacy unattended with a pharmacist. On that day, I was asked to take an unused empty card fixture to my car in the parking lot a few paces away because it was in the way of foot traffic in our work area. I proceeded to fulfill the request and was gone but 2-3 minutes. The technician was out front checking out a customer and apparently needed me for something, and when I was not there, picked up the phone and called the board to report me (because I had not said something to her first).

Looking back on it, that was an error in judgment on my part; again, I felt the mental issues created the havoc. I should have told the technician I was leaving for 2 minutes and locked the pharmacy section for that time. But since I knew I would not be gone long (it takes longer to use the restroom, but that's inside the building on the same floor, but not at the pharmacy itself). I figured it would not be much of a problem.

Suicidal Ideation: Running this pharmacy became very stressful over time. I worked 60 hour weeks with no regular relief due to economic circumstances. I had to juggle many things with dispensing rx's and running the business, and it caused me to feel overwhelmed. At times, it became mentally very painful

and thus I expressed that pain in the form of suicidal thoughts, but never had any plan or intent to go through with it.

Difficulty in concentration or focus: I made prescription errors, would really move fast and should have been more deliberate in the filling process. Because I always had multiple things going, I would start one task, be pulled away for some reason, and then start another task, and all of a sudden forget that I had not finished the first one. Then I'd drop that one to finish the first. Now I always complete tasks fully before starting the next one.

Anxiety and difficulty problem solving: This is pretty much the same as #3. I would have trouble solving problems that my solutions could not be made deliberately and this in and of itself caused ME anxiety. All of this I felt was due to overworking.

I had grave concern that this consent order would prevent me from gaining employment, including with Safeway who bought out my pharmacy files. Although they verbally promised to try to find a slot, it never matriculated into anything. I can only gather that the consent order played at least some role in the lack of acknowledgement. I had worked in Safeway's stores several years before I started the business, but that obviously had no influence. I currently remain unemployed as a pharmacist today.

## CONCLUSION

Since my pharmacy closed, my mental health is back to normal. I have my fiancé to thank for that, as she helped me recuperate for a good 6 months to get me back to feeling like my old self. I spent that time catching up on long lost sleep, and trying to get back to better nutrition. I miss not being able to practice as I know I have missed out on a lot of new medications, drug classes, and changing practice trends that I would love to participate in.

I respectfully request the Board to keep my license clear. I have enclosed the required renewal fee of \$590 to keep my ability available to practice in Nevada or reciprocate to another state if my future career path should require. As you will see from reviewing the enclosed documents, I have gone through quite a bit of 'rehabilitation' to feel normal again and know my limitations.

I would like to thank you for very much for your utmost consideration and time in this matter.

Respectfully,

A handwritten signature in black ink, appearing to read 'David Moll', with a stylized flourish at the end.

David Moll, PharmD, RPh

***Dan LaRue, P.C.***

*Attorney at Law  
5323 SW Alfred  
Portland, OR 97219*

Phone: (503) 299-6444

Email: [larue@ipns.com](mailto:larue@ipns.com)

June 29, 2015

Jeffrey M. Phillips  
Deputy Attorney General  
1300 I Street, Suite 125  
PO Box 944255  
Sacramento, CA 94244-2550

RE: DAVID MOLL      SENT BY REGULAR MAIL AND EMAIL  
CASE #:

Dear Mr. Phillips:

Pursuant to our recent telephone conference, I am writing the "mitigation" letter on behalf of David Moll. I understand that the California Pharmacy Board has brought this action based upon David's "probationary agreement" with the State of Oregon Pharmacy Board. Therefore, I'd like to first give you some of the facts surrounding the Oregon matter.

David owned his own pharmacy for about 10 years. When the economy dived in approximately 2009, and because of increased competition, David's pharmacy became increasingly in financial crisis. In 2012, it was clear that the pharmacy would have to be sold, or it would become bankrupt. These years were a period of great stress on both David and his staff, but particularly stressful for David. By 2012, the pharmacy could barely be kept open, and he could not afford to hire replacement pharmacists. By that time, the stress had affected David greatly.

In December of 2012, the Oregon Pharmacy Board filed a notice of proposed action against David. In September, 2013, a Consent Order was entered into. It is very important to note that David's license is, and has always, been valid. The Oregon board **did not** suspend David's license. **He continues to have an active license.**

The following is a summary of the Consent Order and of David's compliance with it:

1. Sell of Close Pharmacy. David ceased pharmacy operation on November 13, 2013.
- 2 (a). Enter Board designated Treatment Program. David received professional evaluations and continues to be in compliance with this requirement. (a letter from his monitor is enclosed)
- 2 (b). Continue Treatment with Mental Health Practitioner. David has continued therapy with

Jennifer Duncan, LPC since October, 2013. Her report is enclosed.

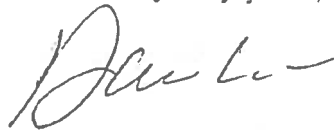
- 2 (c). Shall submit mental health reports. David is in full compliance with this requirement. The report from RBH is enclosed.
- 2 (d). Shall Complete Treatment with Portland Dialectical Behavior Therapy. This requirement has been completed. A copy of the certification of completion is enclosed.
- 2 (e). David did not renew his preceptor license.
- 2 (f). David has not been employed as a pharmacist-in-charge or pharmacy manager.
- 2 (g). David has not worked more than 48 hours per week.
- 2 (h). All prospective employers have been notified of the Consent Order.
- 2 (i). All prospective employers have been notified of the Order.
- 2 (j). David has reported all/any citations and/or violations to the Board.
- 2 (k). David has complied with any and all laws regarding pharmacy practice.

David is, and has been, in full compliance with his Consent Order. Based upon positive input from his therapist, he now sees Ms. Duncan once per month. As David says: "I have worked on myself in therapy and away from the stresses of daily life, owning a pharmacy and overworking".

As stated, the Oregon Pharmacy Board never suspended or took David's license. He is now able and ready to practice pharmacy. I am asking that the California Pharmacy Board give David credit for the good work that he's done in complying with the Oregon Consent Order. I'm also asking the California Pharmacy Board to adopt Oregon's plan and give comity to Oregon's jurisdiction of David.

Please advise if I can provide you with anything further on this matter.

Very truly yours,

A handwritten signature in dark ink, appearing to read "Dan LaRue", with a stylized flourish at the end.

DAN LaRUE

DL:pr

RECEIVED

SEP 25 2013

BEFORE THE BOARD OF PHARMACY  
OF THE STATE OF OREGON

In the Matter of the ) Case No. 2012-0401  
Pharmacist License of )  
DAVID G. MOLL ) CONSENT ORDER  
Licensee )

WHEREAS, the Board of Pharmacy of the State of Oregon has filed a Notice of Proposed Disciplinary Action; Answer Required ("Notice"), hereby incorporated by reference, regarding the licensee in the above-captioned matter; and

WHEREAS, the above-noted Notice was duly served on the licensee as required by law; and

WHEREAS, the parties are desirous of resolving and settling those matters contained in the above-noted Notice without further proceedings thereon; and

WHEREAS, the licensee is aware of the right to a hearing with the assistance of counsel and the right to judicial review of the Board's decision, and hereby freely and voluntarily waives those rights; and

WHEREAS, the licensee admits, for the purposes of entering into this consent order, that the facts alleged in the above-noted Notice are true, that the licensee's conduct, as admitted, violated the statutes and rules cited in the Notice, and that legal cause exists pursuant to ORS 689.405 and 689.490 for disciplinary action by the Board; and

WHEREAS, the licensee voluntarily consents to the conditions as set forth herein;

The Board finds that the allegations in the Notice are true and hereby imposes the following sanctions:

1. The licensee shall sell all interest in, or close, Gresham Professional Pharmacy within nine (9) calendar months from the date this order is signed by the Board. Licensee may request in writing an extension to the nine month deadline to facilitate in the sale of the Gresham Professional Pharmacy. Licensee shall not purchase nor manage any pharmacy without receiving written approval of the Board.

2. The licensee consents to the following terms and conditions for a period of three (3) years from the date this order is signed by the Board:

- a. Licensee shall enter into a Board designated treatment program for three (3) years, must abide by, and complete all conditions of the treatment program. Licensee's three year treatment program may be extended upon recommendation of the program administration and with approval of the Board. Documentation of completion of the designated program to be sent to the Board.
- b. Licensee shall continue treatment with his current mental health practitioner.

- 48 c. Licensee shall submit a quarterly report from licensee's mental health  
49 practitioner, to the Board office by certified mail (or other method approved by  
50 the Board in writing) and retain receipt of verification of delivery to the Board  
51 office for the first year. First quarterly report shall be due within 30 days after the  
52 date this order becomes final, and 15 days before the beginning of each quarter.  
53 Quarters start on the first of February, May, August, and November. After the  
54 first year, licensee is to submit reports semi-annually, with due 15 days before  
55 the beginning of February and August. Reports are considered late if not  
56 received by the end of business on the first day of these months.
- 57 d. Licensee shall complete treatment with Portland Dialectical Behavior Therapy  
58 Institute and follow after treatment recommendations. Upon completion of  
59 treatment, licensee is to send documentation of completion along with Portland  
60 Dialectical Behavior Therapy Institute's recommendations.
- 61 e. Licensee may not register with the Board to be a preceptor. Licensee shall deliver  
62 their preceptor registration, if any, to the Board within ten (10) calendar days of  
63 the effective date of this order.
- 64 f. Licensee may not be employed as a pharmacist-in-charge (PIC) or pharmacy  
65 manager.
- 66 g. Licensee shall not work more than 48 hours per week, and shall not work more  
67 than 80 hours in a two week period. Petitions for any modifications of this will  
68 be allowed after two years from the date this Order becomes final. All petitions  
69 must be submitted and approved in writing.
- 70 h. During the three (3) year period, the licensee shall, as soon as reasonably  
71 practical, provide all present and prospective pharmacy related employers and  
72 any pharmacists-in-charge of the licensee with a copy of the Notice and the final  
73 order in this matter and have the PIC and management acknowledge to the Board  
74 in writing, on a form supplied by the Board, that the PIC and management have  
75 received a copy of both the Notice and the Order. Submission of said form is due  
76 upon the following conditions:
- 77 A. Beginning of the three year period covered by this order;  
78 B. Change of employment;  
79 C. Change in Pharmacist-in-Charge or management; and  
80 D. Annually on January 1.
- 81 Licensee shall submit said written acknowledgement to the Board office by  
82 certified mail (or other method approved by the Board in writing) within 15  
83 calendar days and retain receipt of verification of delivery to the Board office.
- 84 i. If licensee works for, or is employed by or through a pharmacy service, licensee  
85 must notify the direct supervisor, Pharmacist-In-Charge and owner at every  
86 pharmacy of the terms and conditions of licensee's consent order in advance of  
87 the licensee commencing work at each pharmacy. "Employment" within the  
88 meaning of this provision shall include any full-time, part time, temporary or  
89 relief work, whether or not the licensee is considered an employee or  
90 independent contractor. Verification of compliance with this sanction is the same  
91 as the proceeding sanction.
- 92 j. The licensee must report all citations, arrests or convictions to the Board Office  
93 in writing within three (3) business days from the date of occurrence with a copy  
94 of citation, police report, and court documents. Licensee shall submit said

information to the Board office by certified mail (or other method approved by the Board in writing) and retain receipt of verification of delivery to the Board office.

k. Licensee must comply with all laws and rules regarding pharmacy practice.

3. Failure of the licensee to comply with any requirement of the order in this matter is grounds for revocation or any other form of discipline or sanction authorized by law.

#### CONSENT

I hereby acknowledge that I have read and understand the above-noted Notice with Notice of Rights and the terms of the Consent Order. I agree to the Board entering the Consent Order.

\_\_\_\_\_  
David G. Moll  
Licensee (License No. RPH-0008305)

\_\_\_\_\_  
Date

9/29/13

IT IS SO ORDERED.

BOARD OF PHARMACY  
FOR THE STATE OF OREGON

\_\_\_\_\_  
Gary Miner, R.Ph.,  
Compliance Director

\_\_\_\_\_  
Date

10/4/13



May 6, 2015

To Whom It May Concern,

This is a compliance report for Mr. David G. Moll, R. Ph., who is under referral from the Oregon Board of Pharmacy with the Oregon Health Professionals' Services Program (HPSP) for 3 years of continuing care monitoring. Mr. Moll was fully enrolled in the HPSP on March 31<sup>st</sup> 2014.

The above individual has successfully complied with the requirements of his monitoring agreement. The above individual continues to check-in with his Agreement Monitor weekly, attends individual therapy appointments 2x monthly, and participates in ongoing medication management with his primary care provider. The above individual is in full compliance with the Oregon HPSP monitoring program.

Sincerely,

A handwritten signature in black ink, appearing to read "Niaz Larsen".

Niaz Larsen, LPC, CADC-I  
HPSP Agreement Monitor  
Reliant Behavioral Health  
1220 SW Morrison Suite 600  
Portland, OR 97205  
E-mail: [nlarsen@reliantbh.com](mailto:nlarsen@reliantbh.com)  
Phone: (503) 802-9848



J Duncan Art Therapy & Counseling, LLC

Jennifer Duncan, LPC, ATR, CADCI



Office: 4511 SE Cesar E Chavez Blvd.  
Portland, OR 97202  
Mailing: 4207 SE Woodstock Ave., #393  
Portland, OR 97206  
Phone: 503-974-4140  
Email: jduncanlpc@gmail.com  
Website: www.jduncanlpc.com

June 22<sup>nd</sup>, 2015

This document was requested by Mr. David Moll to report his compliance with the Oregon Board of Pharmacy's consent order requiring ongoing individual therapy. Mr. Moll began treatment in Nov. 2013 and has continued to attend his sessions regularly with complete compliance and no interruptions. Mr. Moll began therapy by attending weekly individual sessions with myself and then quickly his therapy was reduced to twice per month, due to reaching initial treatment plan goals. Recently, Mr. Moll's individual therapy sessions were again reduced to one time per month, beginning in June 2015, due to continued management and reduction of symptoms and by continually meeting treatment plan goals.

Kind regards,

 *LPC, ATR, CADCI*  
Jennifer Duncan, LPC, ATR, CADCI

Blank

**Oregon Board of Pharmacy****Licensee Detail**

<b>Name:</b>	MOLL, DAVID G
<b>Location:</b>	PORTLAND, OR
<b>License Type:</b>	Preceptor
<b>License #:</b>	RPH-0008305-P
<b>License Status:</b>	Inactive Per Consent Order
<b>License Type:</b>	Pharmacist
<b>License #:</b>	RPH-0008305
<b>License Status:</b>	Active
<b>Initially Licensed:</b>	4/22/1992
<b>Last Renewal:</b>	5/21/2015
<b>License Expires:</b>	6/30/2017
<b>Board Action?</b>	Yes - <a href="#">View 2012-0401</a> Additional Action Documents may be available. For More Information, contact <a href="#">OBOP</a>



This information was last updated 11/18/2015

RECEIVED

SEP 25 2013)

BEFORE THE BOARD OF PHARMACY  
OF THE STATE OF OREGON

In the Matter of the ) Case No. 2012-0401  
Pharmacist License of )  
DAVID G. MOLL ) CONSENT ORDER  
Licensee )

WHEREAS, the Board of Pharmacy of the State of Oregon has filed a Notice of Proposed Disciplinary Action; Answer Required ("Notice"), hereby incorporated by reference, regarding the licensee in the above-captioned matter; and

WHEREAS, the above-noted Notice was duly served on the licensee as required by law; and

WHEREAS, the parties are desirous of resolving and settling those matters contained in the above-noted Notice without further proceedings thereon; and

WHEREAS, the licensee is aware of the right to a hearing with the assistance of counsel and the right to judicial review of the Board's decision, and hereby freely and voluntarily waives those rights; and

WHEREAS, the licensee admits, for the purposes of entering into this consent order, that the facts alleged in the above-noted Notice are true, that the licensee's conduct, as admitted, violated the statutes and rules cited in the Notice, and that legal cause exists pursuant to ORS 689.405 and 689.490 for disciplinary action by the Board; and

WHEREAS, the licensee voluntarily consents to the conditions as set forth herein;

The Board finds that the allegations in the Notice are true and hereby imposes the following sanctions:

1. The licensee shall sell all interest in, or close, Gresham Professional Pharmacy within nine (9) calendar months from the date this order is signed by the Board. Licensee may request in writing an extension to the nine month deadline to facilitate in the sale of the Gresham Professional Pharmacy. Licensee shall not purchase nor manage any pharmacy without receiving written approval of the Board.

2. The licensee consents to the following terms and conditions for a period of three (3) years from the date this order is signed by the Board:

- a. Licensee shall enter into a Board designated treatment program for three (3) years, must abide by, and complete all conditions of the treatment program. Licensee's three year treatment program may be extended upon recommendation of the program administration and with approval of the Board. Documentation of completion of the designated program to be sent to the Board.
- b. Licensee shall continue treatment with his current mental health practitioner.

- 48 c. Licensee shall submit a quarterly report from licensee's mental health  
49 practitioner, to the Board office by certified mail (or other method approved by  
50 the Board in writing) and retain receipt of verification of delivery to the Board  
51 office for the first year. First quarterly report shall be due within 30 days after the  
52 date this order becomes final, and 15 days before the beginning of each quarter.  
53 Quarters start on the first of February, May, August, and November. After the  
54 first year, licensee is to submit reports semi-annually, with due 15 days before  
55 the beginning of February and August. Reports are considered late if not  
56 received by the end of business on the first day of these months.
- 57 d. Licensee shall complete treatment with Portland Dialectical Behavior Therapy  
58 Institute and follow after treatment recommendations. Upon completion of  
59 treatment, licensee is to send documentation of completion along with Portland  
60 Dialectical Behavior Therapy Institute's recommendations.
- 61 e. Licensee may not register with the Board to be a preceptor. Licensee shall deliver  
62 their preceptor registration, if any, to the Board within ten (10) calendar days of  
63 the effective date of this order.
- 64 f. Licensee may not be employed as a pharmacist-in-charge (PIC) or pharmacy  
65 manager.
- 66 g. Licensee shall not work more than 48 hours per week, and shall not work more  
67 than 80 hours in a two week period. Petitions for any modifications of this will  
68 be allowed after two years from the date this Order becomes final. All petitions  
69 must be submitted and approved in writing.
- 70 h. During the three (3) year period, the licensee shall, as soon as reasonably  
71 practical, provide all present and prospective pharmacy related employers and  
72 any pharmacists-in-charge of the licensee with a copy of the Notice and the final  
73 order in this matter and have the PIC and management acknowledge to the Board  
74 in writing, on a form supplied by the Board, that the PIC and management have  
75 received a copy of both the Notice and the Order. Submission of said form is due  
76 upon the following conditions:
- 77 A. Beginning of the three year period covered by this order;  
78 B. Change of employment;  
79 C. Change in Pharmacist-in-Charge or management; and  
80 D. Annually on January 1.
- 81 Licensee shall submit said written acknowledgement to the Board office by  
82 certified mail (or other method approved by the Board in writing) within 15  
83 calendar days and retain receipt of verification of delivery to the Board office.
- 84 i. If licensee works for, or is employed by or through a pharmacy service, licensee  
85 must notify the direct supervisor, Pharmacist-In-Charge and owner at every  
86 pharmacy of the terms and conditions of licensee's consent order in advance of  
87 the licensee commencing work at each pharmacy. "Employment" within the  
88 meaning of this provision shall include any full-time, part time, temporary or  
89 relief work, whether or not the licensee is considered an employee or  
90 independent contractor. Verification of compliance with this sanction is the same  
91 as the proceeding sanction.
- 92 j. The licensee must report all citations, arrests or convictions to the Board Office  
93 in writing within three (3) business days from the date of occurrence with a copy  
94 of citation, police report, and court documents. Licensee shall submit said

95 information to the Board office by certified mail (or other method approved by  
96 the Board in writing) and retain receipt of verification of delivery to the Board  
97 office.

98 k. Licensee must comply with all laws and rules regarding pharmacy practice.  
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100 3. Failure of the licensee to comply with any requirement of the order in this matter is  
101 grounds for revocation or any other form of discipline or sanction authorized by law.  
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104 CONSENT

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106 I hereby acknowledge that I have read and understand the above-noted Notice with Notice  
107 of Rights and the terms of the Consent Order. I agree to the Board entering the Consent Order.  
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110 \_\_\_\_\_ Date 9/24/13  
111 David G. Moll  
112 Licensee (License No. RPH-0008305)  
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115 IT IS SO ORDERED.

116  
117 BOARD OF PHARMACY  
118 FOR THE STATE OF OREGON  
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121 \_\_\_\_\_ Date 10/4/13  
122 Gary Miner, R.Ph.,  
123 Compliance Director  
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BOARD OF PHARMACY  
OF THE STATE OF OREGON

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In the Matter of the	)	Case No. 2012-0401
Pharmacist License of	)	
	)	NOTICE OF PROPOSED
DAVID G MOLL, R.PH	)	DISCIPLINARY ACTION;
	)	ANSWER REQUIRED
	)	
Licensee	)	

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The Oregon Board of Pharmacy proposes to revoke your license and impose a civil penalty pursuant to ORS 689.445, 689.405, 689.135, and 689.145, because you violated the Oregon Pharmacy Act and the Board of Pharmacy rules as alleged below:

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On or about 7/18/2012, you left non-pharmacist personnel in the pharmacy without a pharmacist and left the pharmacy building.

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You have impaired judgment and symptoms of suicidal ideation, difficulty with concentration and focus, anxiety, and difficulty in problem solving. You received diagnoses of during a 9/26/2012 Fitness for Duty Evaluation with recommendations that include treatment and monitoring.

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This conduct is unprofessional conduct as defined by OAR 855-006-0005(28)(j), and in violation of, and grounds for discipline, pursuant to OAR 855-019-0310(1) and (3), OAR 855-041-0025(1), OAR 855-041-0026(3), OAR 855-019-0200(7), and ORS 689.405(1)(a), (c), (d), and (e)(B).

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Based on these alleged violations, the Board proposes to revoke your pharmacist license and impose a \$1,000 civil penalty per violation.

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**HEARING RIGHTS**

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You are entitled to a hearing as provided by the Administrative Procedures Act (ORS chapter 183). If you wish to have a hearing, you must file a written request for hearing with the Board within 21 days from the date this notice was mailed. You may send or deliver a request for hearing to:

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82  
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87

Oregon Board of Pharmacy  
800 NE Oregon Street, Suite 150  
Portland, OR 97232  
Fax (971) 673-0002

88  
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If a request for hearing is not received within this 21-day period, your right to a hearing shall be considered waived.

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If you request a hearing, you will be notified of the time and place of the hearing. Before the commencement of the hearing, you will be given information on the procedures, right of

50 representation and other rights of parties relating to the conduct of the hearing. You may be  
51 represented by legal counsel.

52  
53 If you do not request a hearing within 21 days, or if you withdraw a hearing request, notify  
54 the Board or Administrative Law Judge that you will not appear, or fail to appear at a scheduled  
55 hearing, the Board may issue a final order by default imposing discipline. If the Board issues a final  
56 order by default, it designates its file on this matter as the record.

57  
58 **ANSWER REQUIRED**  
59

60 Pursuant to OAR 855-001-0010 and OAR 855-001-0015, if you request a hearing you must  
61 also provide, within 21 days from the date this document was served, a written answer to the  
62 allegations set forth in this document. Your written answer must include an admission or denial of  
63 each factual matter alleged in the notice. Except for good cause, factual matters alleged in this  
64 document and not denied in your answer will be presumed admitted.

65  
66 **Hearing Request and Answers:**  
67 **Consequences of Failure to Answer**  
68 **855-001-0015**  
69

70 (1) A hearing request, and answer when required, shall be made in writing to the Board  
71 by the party or his attorney and an answer shall include the following:

- 72 (a) An admission or denial of each factual matter alleged in the notice;  
73 (b) A short and plain statement of each relevant affirmative defense the party  
74 may have.  
75

76 (2) Except for good cause;

- 77 (a) Factual matters alleged in the notice and not denied in the answer shall be  
78 presumed admitted;  
79 (b) Failure to raise a particular defense in the answer will be considered a waiver  
80 of such defense;  
81 (c) New matters alleged in the answer (affirmative defenses) shall be presumed  
82 to be denied by the agency; and  
83 (d) Evidence shall not be taken on any issue not raised in the notice and the  
84 answer.  
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87 BOARD OF PHARMACY  
88 FOR THE STATE OF OREGON  
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92 \_\_\_\_\_  
93 Gary Miner, R.Ph.,  
94 Compliance Director  
95

12/18/12  
\_\_\_\_\_  
Date

96 DATE OF MAILING 12/26/2012  
97



1 KAMALA D. HARRIS  
Attorney General of California  
2 JANICE K. LACHMAN  
Supervising Deputy Attorney General  
3 JEFFREY M. PHILLIPS  
Deputy Attorney General  
4 State Bar No. 154990  
1300 I Street, Suite 125  
5 P.O. Box 944255  
Sacramento, CA 94244-2550  
6 Telephone: (916) 324-6292  
Facsimile: (916) 327-8643  
7 *Attorneys for Complainant*

8 **BEFORE THE**  
9 **BOARD OF PHARMACY**  
10 **DEPARTMENT OF CONSUMER AFFAIRS**  
11 **STATE OF CALIFORNIA**

12 In the Matter of the Accusation Against:

Case No. 5352

13 **DAVID G. MOLL**  
15425 SE Rhine Street  
Portland, Oregon 97236

**A C C U S A T I O N**

14 **Pharmacist License No. RPH 44488**

15 Respondents.

16  
17 Virginia Herold ("Complainant") alleges:

18 **PARTIES**

19 1. Complainant brings this Accusation solely in her official capacity as the Executive  
20 Officer of the Board of Pharmacy ("Board"), Department of Consumer Affairs.

21 2. On or about August 9, 1991, the Board issued Pharmacist License Number  
22 RPH 44488 to David G. Moll, also known as David Gunther Moll ("Respondent"). The  
23 pharmacist license will expire on April 30, 2015, unless renewed.

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## JURISDICTION

3. Business and Professions Code ("Code") section 4300 states, in pertinent part:

(a) Every license issued may be suspended or revoked.

(b) The board shall discipline the holder of any license issued by the board, whose default has been entered or whose case has been heard by the board and found guilty, by any of the following methods:

(1) Suspending judgment.

(2) Placing him or her upon probation.

(3) Suspending his or her right to practice for a period not exceeding one year.

(4) Revoking his or her license.

(5) Taking any other action in relation to disciplining him or her as the board in its discretion may deem proper . . .

4. Code section 4300.1 states:

The expiration, cancellation, forfeiture, or suspension of a board-issued license by operation of law or by order or decision of the board or a court of law, the placement of a license on a retired status, or the voluntary surrender of a license by a licensee shall not deprive the board of jurisdiction to commence or proceed with any investigation of, or action or disciplinary proceeding against, the licensee or to render a decision suspending or revoking the license.

## STATUTORY PROVISIONS

5. Code section 4301 states, in pertinent part:

The board shall take action against any holder of a license who is guilty of unprofessional conduct or whose license has been procured by fraud or misrepresentation or issued by mistake. Unprofessional conduct shall include, but is not limited to, any of the following:

(n) The revocation, suspension, or other discipline by another state of a license to practice pharmacy, operate a pharmacy, or do any other act for which a license is required by this chapter.

## COST RECOVERY

6. Code section 125.3 provides, in pertinent part, that the Board may request the administrative law judge to direct a licentiate found to have committed a violation or violations of the licensing act to pay a sum not to exceed the reasonable costs of the investigation and enforcement of the case, with failure of the licentiate to comply subjecting the license to not being

1 renewed or reinstated. If a case settles, recovery of investigation and enforcement costs may be  
2 included in a stipulated settlement.

3 **CAUSE FOR DISCIPLINE**

4 (Out of State Discipline)

5 7. Respondent is subject to discipline pursuant to Code section 4301(n). Specifically,  
6 effective October 4, 2013, the Board of Pharmacy of the State of Oregon (the "Oregon Board"),  
7 in a disciplinary action entitled, *In the Matter of Pharmacist License of David G. Moll, Licensee*,  
8 Case No. 2012-0401, the Oregon Board imposed sanctions on Respondent's pharmacist license in  
9 the State of Oregon pursuant to a *Consent Order*. The sanctions required, among other things, that  
10 Respondent: sell his interest in, or close, Gresham Professional Pharmacy and refrain from  
11 purchasing or managing another pharmacy without prior approval from the Oregon Board;  
12 participate in a designated treatment program for three years; and, meet other terms and  
13 conditions set forth by the Oregon Board in its *Consent Order* for a period of three years. The  
14 disciplinary action was based on Respondent's unprofessional conduct and violations of Oregon  
15 statutes and rules governing licensed pharmacists in the State of Oregon. Specifically, on or about  
16 July 18, 2012, Respondent left a pharmacy building, leaving non-pharmacist personnel in the  
17 pharmacy, and demonstrated mental impairment.

18 **PRAYER**

19 **WHEREFORE**, Complainant requests that a hearing be held on the matters herein alleged,  
20 and that following the hearing, the Board of Pharmacy issue a decision:

21 1. Revoking or suspending Pharmacist License Number RPH 44488, issued to  
22 David G. Moll, also known as David Gunther Moll;

23 2. Ordering David G. Moll, also known as David Gunther Moll, to pay the Board of  
24 Pharmacy the reasonable costs of the investigation and enforcement of this case, pursuant to  
25 Business and Professions Code section 125.3; and,

26 ///

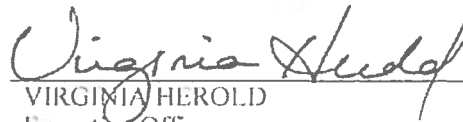
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3. Taking such other and further action as deemed necessary and proper.

DATED: 4/24/15



VIRGINIA HEROLD  
Executive Officer  
Board of Pharmacy  
Department of Consumer Affairs  
State of California  
*Complainant*

SA2014119246  
11787480

# NEVADA STATE BOARD OF PHARMACY

431 W Plumb Lane – Reno, NV 89509

## APPLICATION BY EXAMINATION AS A PHARMACIST

If you are requesting examination eligibility for initial licensure and/or you don't meet the requirements for reciprocity.

Total Fee: \$330.00 (non-refundable, money order only, no cash)

Complete Name (no abbreviations):

First: Ronald Middle: Henry Last: Engberson

Mailing Address: 6750 Crooked Tree Cir

City: Anchorage State: AK Zip Code: 99507

Telephone: \_\_\_\_\_ E-mail Address: \_\_\_\_\_

Date of Birth: \_\_\_\_\_ Place of Birth: Driggs Idaho

Social Security Number: \_\_\_\_\_ (Required) Sex: ☒ M or ☐ F

### College of Pharmacy Information

Graduation Date: 5/15/2008  
(mm/dd/yy)

Degree Received: ☒ PharmD ☐ BS in Pharmacy ☐ Other (check one)

Name of Pharmacy School: Idaho State University

Location of School: Pocatello Idaho

If you are a **foreign graduate** you must attach a copy of your FPGE certificate to THIS APPLICATION. You also need to complete the college of pharmacy information

Other states where you are (or were) licensed as a pharmacist or print "none"

State	Lic #	Is the license active?	State	Lic #	Is the license active?
<u>AK</u>	<u>1778</u>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	_____	_____	Yes <input type="checkbox"/> No <input type="checkbox"/>
_____	_____	Yes <input type="checkbox"/> No <input type="checkbox"/>	_____	_____	Yes <input type="checkbox"/> No <input type="checkbox"/>

\*\*Attach separate sheet if necessary

A licensee is not personally required to have a Nevada State Business License, however, if you have one, please provide the number: \_\_\_\_\_

	Yes	No
Been diagnosed or treated for any mental illness, including alcohol or substance abuse, or physical condition that would impair your ability to perform the essential functions of your license?.....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
1. Been charged, arrested or convicted of a felony or misdemeanor in <u>any</u> state?.....	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Been the subject of a board citation or an administrative action whether completed or pending in <u>any</u> state?.....	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Had your license subjected to any discipline for violation of pharmacy or drug laws in <u>any</u> state?.....	<input checked="" type="checkbox"/>	<input type="checkbox"/>

If you marked **YES** to any of the numbered questions (1-3) above, include the following information & provide an explanation & documentation:

Board Administrative Action:	State	Date:	Case #:		
	AK	4 / 2 / 2012	2012-00301		

Criminal Action:	State	Date:	Case #:	County	Court
	AK	03 / 11 / 2013	3AN-12-13617	Anchorage	Superior Court Anchorage AK

### FEDERALLY MANDATED REQUIREMENTS

In response to Federally mandated requirements, the Nevada Legislature and Attorney General require that we include this questions as part of all applications.

4. Are you the subject of a court order for the support of a child?.....Yes ☐ No ☒  
**4a. If you marked Yes, to the question 4, are you in compliance with the court order?.....** Yes ☐ No ☐

I have read all questions, answers and statements and know the contents thereof. I hereby certify, under penalty of perjury, that the information furnished on this application are true, accurate and correct. I hereby authorize the Nevada State Board of Pharmacy, it's agents, servants and employees, to conduct any investigation(s) of my business, professional, social and moral background, qualification and reputation, as it may deem necessary, proper or desirable.

No liability of any sort or kind shall attach to the said Nevada State Board of Pharmacy, it's members, servants or employees because or by reason of the use of the authorization.

I attest to knowledge of and compliance with the guidelines of the Centers for Disease Control and Prevention concerning the prevention of transmission of infectious agents through safe and appropriate injection practices.

I understand that Nevada law requires a licensed pharmacist who, in their professional or occupational capacity, comes to know or has reasonable cause to believe, a child has been abused/neglected, to report the abuse/neglect to an agency which provides child welfare services or to a local law enforcement agency.

Original Signature, no copies or stamps accepted

Date

9/17/2015

<b>Board Use Only</b>		
Processed: <u>10-1-15</u>	Amount: <u>\$6330.00</u>	Entity #: <u>90220</u>
Laws	NAPLEX	MPJE

Date: 09/17/2015

The Board of Pharmacy  
431 W. Plumb Lane  
Reno, NV 89509

Board of Pharmacy,

I am writing you today to request the reinstatement of my pharmacy license. I voluntarily surrendered it almost three years ago while under investigation for filling my own prescriptions. I pled guilty and was sentenced to two years of probation and was given a suspended imposition of sentence. The conviction was set aside upon my completion of my probation on March 10<sup>th</sup> of 2015. My lawyer, Kevin Fitzgerald, is going to send a letter outlining the legal aspects of this request.

I understand the seriousness of my actions and the damage it caused my family, my profession and myself. When the article came out in the Anchorage Daily News, it caused great embarrassment and shame. My actions caused great detriment to myself and those around me. As a result of losing my license, I was unemployed for eight months, had to file bankruptcy, lost the house we loved, and I had to give our vehicles back to the bank. I also lost my membership in my church and was disfellowshipped for almost two years. My wife and daughters left me for a period of nine months while I worked out my issues. This was a very hard time, but it made me think on what I wanted and what I hold most dear to me. I will never again do something that would bring so much pain and embarrassment to my family.

I finally found a job working at Pacific Tile in Anchorage running the warehouse and selling tile. It's not what I want to do or enjoy doing but it is honest employment that helps to pay the bills. I have worked there for a little over two years. I have tried to stay current with pharmacy by reading online articles on drug topics. I miss being a Pharmacist. I loved helping people with their concerns, and I hope it is something I can do again.

I saw a counselor for three months, and it helped me to figure out my actions. I am narcotic-free and only take Gabapentin and Advil for the pinched nerve in my back. I am willing to comply with any restrictions and/or requirements that you would require to move forward.

Thank you for taking the time to reconsider my reinstatement of my license.

Sincerely,

Ron Engberson

IN THE SUPERIOR COURT FOR THE STATE OF ALASKA  
THIRD JUDICIAL DISTRICT AT THIRD JUDICIAL DISTRICT

STATE OF ALASKA, )  
 )  
Plaintiff, )  
 )  
vs. )  
 )  
 )  
 )  
Ronald H. Engberson, )  
 )  
DOB: 07/07/1970 )  
 )  
ATN: 113990877 )  
 )  
Defendant. )

RECEIVED  
Engelsson, Maassen & Fitzgerald, PC

MAR 14 2013

File No. 3456-1 Cal: \_\_\_\_\_  
Approved for File: \_\_\_\_\_

Court No. 3AN-12-13617 Cr.

**JUDGMENT AND ORDER SUSPENDING IMPOSITION OF SENTENCE  
AND PROVIDING FOR PROBATION**

The defendant has been convicted upon his plea of:

COUNT	DATE OF OFFENSE	OFFENSE (including CTN)	STATUTE VIOLATED	DV Offense Per AS18.66.990(3)&(5) (Yes or No)
I	1/25/09 through 3/2/12	Forgery in the Second Degree - 001	AS 11.46.505	No

and all other charges are dismissed.

Defendant came before this court on the effective date (see last page), with counsel and an Assistant District Attorney present. It appearing to the satisfaction of this court that the ends of justice and the best interests of the public will be served thereby,

IT IS ORDERED that the sentencing of the defendant is suspended for a period of 2 years and the defendant is placed on probation to the Department of Corrections under the conditions of probation listed below.

IT IS FURTHER ORDERED that the defendant pay restitution as stated in the Restitution Judgment and that defendant apply for an Alaska Permanent Fund Dividend



every year in which defendant is a resident eligible for a dividend until the restitution is paid in full. The Restitution Judgment will continue to be civilly enforceable after the period of probation expires and after any set-aside of the conviction in this case. Criminal Rule 32.6(I).

**POLICE TRAINING SURCHARGE. IT IS ORDERED** that defendant pay to the court the following surcharge pursuant to AS 12.55.039 within 10 days:

<u>Count</u>	<u>Surcharge Amount</u>
1	\$100.00

☐ **JAIL SURCHARGE. IT IS ORDERED** that defendant immediately pay a correctional facilities surcharge of \$200 with \$100 suspended to the Department of Law Collections Unit, 1031 West 4<sup>th</sup> Avenue, Suite 200, Anchorage AK 99501. AS 12.55.041.

SPECIAL CONDITIONS OF PROBATION – IMPRISONMENT

Defendant shall serve the following term(s) of imprisonment: None.

Defendant agrees to remand at the Change of Plea hearing.

GENERAL CONDITIONS OF PROBATION

1. Comply with all direct court orders listed above by the deadlines stated.
2. Report to the Department of Corrections Probation Office on the next business day following the date of sentencing; or, if time is to be served immediately after sentencing, then report to the Department of Corrections Probation Office on the next business day following release from an institution.
3. Secure the prior written permission of a probation officer of the Department of Corrections before changing employment or residence or leaving the region of residence to which assigned.
4. Make a reasonable effort to secure and maintain steady employment. Should you become unemployed, notify a probation officer of the Department of Corrections as soon as possible.
5. Report in person between the first day and the tenth day of each month, or as otherwise directed, to your assigned office of the Department of Corrections. Complete in full a written report when your probation officer is out of the office to insure credit for that visit. You may not report by mail unless you secure prior permission to do so from your probation officer.

6. At no time have under your control a concealed weapon, a firearm, or a switchblade or gravity knife.
7. Do not knowingly associate with a person who is on probation or parole or a person who has a record of a felony conviction unless prior written permission to do so has been granted by a probation officer of the Department of Corrections.
8. Make a reasonable effort to support your legal dependents.
9. Do not consume intoxicating liquor to excess.
10. Comply with all municipal, state and federal laws.
11. Report all purchases, sales and trades of motor vehicles belonging to you, together with current motor vehicle license numbers for those vehicles, to your probation officer.
12. Upon the request of a probation officer, submit to a search of your person, personal property, residence or any vehicle in which you may be found for the presence of .
13. Abide by any special instructions given by the Court or any of its duly authorized officers, including probation officers of the Department of Corrections.

#### OTHER SPECIAL CONDITIONS OF PROBATION

- Provide blood and oral samples for the DNA Registration System when requested to do so by a health care professional acting on behalf of the state and provide oral samples when requested by a correctional, probation, parole or peace officer. AS 12.55.100(d) and AS 44.41.035..
- Submit, at any reasonable time, to search of your person, personal property, residence, business, vehicle, or any vehicle under which you have control, for the presence of any illegal drugs, drug paraphernalia, weapons, and/or stolen goods.
- Forfeit to the investigating agency all items seized as evidence in this case.
- Submit to the drawing of blood and the taking of fingerprints for the purpose of inclusion in the deoxyribonucleic (DNA) identification system established pursuant to AS 44.41.035.

THE PROBATION HEREBY ORDERED EXPIRES 2 years from date judgment is signed (see below).

Any appearance bond in this case is:

- ☒ exonerated  
☐ exonerated when defendant reports as ordered to jail to serve the term of imprisonment  
☐ was forfeited and any forfeited funds shall be applied to the restitution.

3/11/13  
EFFECTIVE DATE

Michael J. Ryan  
JUDGE OF THE SUPERIOR COURT

#### NOTICE TO DEFENDANT

You are advised that according to the law, the court may at any time revoke your probation for cause or modify the terms or conditions of your probation. You are subject to arrest by a probation officer with or without a warrant if the officer has cause to believe that you have violated a condition of your probation. You are further advised that it is your responsibility to make your probation officer aware of your adherence to all conditions of probation set forth above.

Sentence Appeal. If you are required to serve more than two years in jail, you may appeal this requirement to the court of appeals on the ground that it is excessive. Your appeal must be filed within 30 days of the date of distribution stated below. If you are required to serve two years or less in jail, you may seek review of this requirement by filing a petition for review in the supreme court. To do this, you must file a notice of intent to file a petition for sentence review within 10 days of the date of distribution stated below. See Appellate Rules 215 and 403(h) for more information on time limits, procedures and possible consequences of seeking review.

- ☐ **REGISTRATION REQUIREMENTS.** Because you have been convicted of one of the offenses listed in AS 12.63.100, you must register as described in the attached form (CR-471, Sex Offender and Child Kidnapper Registration Requirements).

I certify that on 3/13/13  
a copy of this judgment was sent to:

☒ DA  
☒ Defense Atty Fitzgerald  
DOX  
 Sec./Clerk: aw

I certify that on \_\_\_\_\_  
a copy of this judgment was sent to:

<input type="checkbox"/> DA	<input type="checkbox"/> Exhibit Clerk
<input type="checkbox"/> Def Atty _____	<input type="checkbox"/> Adult Probation
<input type="checkbox"/> Deft thru _____	<input type="checkbox"/> DPS - R&I - Anchorage
<input type="checkbox"/> Police/AST	<input type="checkbox"/> DPS - Fingerprint Section
<input type="checkbox"/> Jail	<input type="checkbox"/> DMV - Juneau (lic. action)
<input type="checkbox"/> VPSO/Village Council at _____	
<input type="checkbox"/> Collections Unit for cost of imprisonment	
<input type="checkbox"/> Clerk: _____	

IN THE SUPERIOR COURT FOR THE STATE OF ALASKA  
THIRD JUDICIAL DISTRICT AT ANCHORAGE

STATE OF ALASKA,

Plaintiff,

vs.

RONALD H. ENGBERSON,

Defendant.

FILED IN OPEN COURT  
3-11-13 W

WAIVER OF INDICTMENT

Court No. 3AN-12-13617 CR

I, the above-named defendant, am charged with violation of: AS 11.46.505, Forgery in the Second Degree. I am fully advised of the following:

1. Under the Alaska Constitution I have a right to have the above charge presented to a Grand Jury for review.
2. A Grand Jury consists of 12 to 18 citizens who hear evidence presented by the District Attorney through witnesses.
3. During the presentation of a case before the Grand Jury, only the District Attorney, a clerk, and the witness are present.
4. The Grand Jury can return an indictment against me only upon the concurrence of a majority of the total number of jurors and when all the evidence taken together, if unexplained or uncontradicted, would warrant a conviction of me at trial.
5. If the Grand Jury declines to indict me after reviewing the evidence, the effect is to dismiss the charge which was before them; and that charge may not be again submitted to the Grand Jury without a court order.
6. The effect of an indictment being returned by the Grand Jury is to place the charges against me before the Superior Court.

7. The effect of a Waiver of Indictment by me will be to allow the charges against me to be placed before the Superior Court without the Grand Jury having reviewed the evidence in my case.

I have received a copy of the Complaint or Information charging me with the offense referred to above and therefore I am familiar with the nature of the charges against me.

I have been advised by my attorney and the court of the nature of the charges against me and my right to indictment by Grand Jury. I have taken into consideration the information listed above. I hereby waive in open court prosecution by Indictment and consent to prosecution in Superior Court by information rather than indictment.

3/11/13  
Date  
Clinton M. Caprio  
Assistant District Attorney

Clint Caprio 0812105  
Type or Print Name Bar Number

[Signature]  
Defendant's Signature  
[Signature]  
Counsel for Defendant

Kevin Fitzgerald  
Type or Print Name Bar Number

\*\*\*\*\*

### FINDING

After having personally inquired of the defendant in open court and of defendant's attorney, and having advised the defendant as to defendant's right to indictment by Grand Jury, I find that the defendant has made a voluntary, intelligent, and knowing waiver of defendant's right to indictment by Grand Jury.

3/11/13  
Date

[Signature]  
Superior Court Judge

**MICHAEL H. SPAAN**

Type or Print Name

I certify that on 3/13/13  
a copy of this waiver was sent or given to:

Defense Counsel: Fitzgerald  
Prosecutor: DAD  
DOC

Clerk: AV

431 W Plumb Lane – Reno, NV 89509

**Registration Fee: \$80.00 (non-refundable money order only, no cash)**

First: MOHAMMED Middle: OMAR Last: SALEH Degree: MA

Nevada Address: 610 LEON RAVIN, MD 1650 COMMUNITY COLLEGE DRIVE Suite #: \_\_\_\_\_

(This must be a practicing address, we will not issue a license to a home address or to a PO Box only)

Specialty: PSYCHIATRY

Board Use Only: : Date Processed: 10/2/15 Amount: \$80.00

90300

09/28/2015

After receiving my Nevada Medical License in 2006, I applied for a Board of Pharmacy license, but unfortunately I failed to wait for the Board to tell me that I could prescribe before starting my practice.

On 01/11/2011 after a Disciplinary hearing of the Board of Pharmacy I was arrested on 8 counts of writing prescriptions for controlled drugs without having obtained the proper Board of Pharmacy License and authorization to prescribe.

The charges were subsequently dismissed, but a year later the District Attorney reinstated the charges

And I plead guilty to one count of gross misdemeanor. I also failed to update my profile with the licensing agencies in Florida and in Nevada)

AS a result of all of this: In Florida I was fined \$ 5000 (five thousand) ND \$ 600 ( six hundred administrative fees) a public reprimand letter, one year probation

In Nevada I was fined \$ 1932 (one thousand nine hundred thirty two and 30 cents) a reprimand letter, 10 hours of live CME on pain management or narcotic prescribing.

In March 2015, I met with officers of the Nevada State Board of Medical Examiners. In June and in September 2015 I went in front of the Board of Nevada State Board of Medical Examiners, I was instructed on what to do and after complying with all that was asked of me on 9/11/2015, the Nevada State Board Of Medical Examiners, gave me back an unrestricted license to practice Medicine in Nevada with the condition that I will be under supervision for six month at the Rawson Neal Psychiatric Hospital and the additional condition that I apply for a Controlled Substance Registration and License with the Nevada State Board Of Pharmacy.

I hope that you will contact the Board of Medical Examiners, confirm the veracity of my statements and award me a license and Registration number as soon as possible,

At Rawson Neal Psychiatric hospital are understaffed and are eager for me to start working as soon as possible



M Saleh, MD



OFFICE OF THE DISTRICT ATTORNEY

City of North Miami

YOU WERE ARRESTED ON OR ABOUT 01/11/2011, WHICH RESULTED IN THE FOLLOWING CHARGES BEING SENT TO THE DISTRICT ATTORNEY'S OFFICE FOR CONSIDERATION:

UNLAWFUL PRESCRIBING AND DISPENSING CON SUB  
UNLAWFUL PRESCRIBING AND DISPENSING CON SUB  
UNLAWFUL PRESCRIBING AND DISPENSING CON SUB  
UNLAWFUL PRESCRIBING AND DISPENSING CON SUB  
UNLAWFUL PRESCRIBING AND DISPENSING CON SUB

THIS LETTER IS TO INFORM YOU THAT OUR OFFICE HAS DETERMINED NOT TO FILE FORMAL CHARGES AGAINST YOU AT THIS TIME. IF BAIL WAS POSTED, IT WILL BE RETURNED TO YOU, OR TO THE PERSON WHO POSTED IT, BY THE COURT.

PLEASE BE ADVISED THAT WE RETAIN THE RIGHT TO FILE THESE CHARGES AT A LATER TIME IF FACTS AND CIRCUMSTANCES WARRANT IT.

DAVID ROGER  
DISTRICT ATTORNEY

D.A. FILE NO: 11F00571X

## **FW: New applicant for controlled substance registration**

Paul Edwards

**Sent:** Wednesday, October 21, 2015 1:01 AM

**To:** salehmdl@gmail.com

**Cc:** Pharmacy Board

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Dr. Saleh:

Thank you for your email. Please provide all supporting documentation. It will be useful for the Board's consideration at the December 2015 meeting, at which you should be in attendance.

Best regards,

S. Paul Edwards  
General Counsel  
Nevada State Board of Pharmacy  
(775) 850-1440

---

**From:** Pharmacy Board  
**Sent:** Monday, October 12, 2015 1:05 PM  
**To:** Paul Edwards  
**Subject:** FW: New applicant for controlled substance registration

Could you please respond.

Thanks,

Candy Nally  
Licensing Specialist  
Nevada State Board of Pharmacy

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**From:** Mohamed Saleh  
**Sent:** Sunday, October 11, 2015 11:07 AM  
**To:** Pharmacy Board  
**Subject:** New applicant for controlled substance registration

9/11/2015

Dear Licencing Officer

RE: Mohamed O Saleh, MD, ABPN, FAPA  
Nevada Medical License No 11784

I recently applied for a Controlled Substance Registration Licence from the Nevada State Board Of Pharmacy (BOP). Unfortunately I did not send my application until I received the formal written notification by the Nevada State Board of Medical Examiners. I did not receive the written notification in time to send my Pharmacy Application before the deadline of September 21st 2015. I was advised by Ms Candice that my Application will not be heard by the Board of Pharmacy in Reno Nevada on December 2nd or 3rd 2015.

I am currently in Nevada completing paperwork to work as employee of the State of Nevada in their Community Mental Health Services or the Department of Corrections. The Nevada State Board of Medical Examiners has honored me with an unrestricted

License but wants me to work for six month under indirect supervision by Dr Leo Gallofin and Dr Leon Ravin at the Rawson Neal Psychiaic Hospital in Las Vegas. My Charts will be reviewed in decreasing frequency for six month, in addition to be under the peer review oversight, that is mandatory for all the psychiatrist. After six month I will be only in the strong peer review programm . I don't have access to my documents file cabinet in Florida. I have resided in Jacksonville since 1987. Hence I have this nagging feeling that I did not send you all the documentation that you may need.

I will be back in Florida on Tuesday 10/13/2015, and at that time I will check my files. Nevertheless I feel the need to contact you because I may have not included all the documents that you may require.

I admitted that my Nevada licence went to Inactive i believe three or four years ago, because I did not see patients in Nevada for over 12 months.

I reported that I was arrested on a gross misdemeanor on 1/11/2011 in Nevada for prescribing controlled substances, beefore receiving the "green light" by the Board of Pharmacy. the charges were first dismissed perhaps the kind thing to do, because I had a valid Federal and Florida DEA numbers, and adminisytative inattention played a role in the error, Still I take full responsability for the error. I did file an application with the BOP and sent \$ 80 Application fee, immediately after receiving the Nevada Medical License # 11784, that application was received by The Nevada State Board of Pharmacy, as admitted by the Counse.s office; but somehow was either lost or misplaced. and the issue did not come to the fore until 2010. Still I had the duty to await a formal "green light " by the BOP,

That as it may be, this was the first and only time that I was into any kind of trouble after a stellar thirty year practice in Florida since 1982 and since 2006 in Nevada. I have retained a lobbyst to obtain a Presidential Pardon, before the Current President His Excellency Barack Obama leaves office.

After this long preamble, let me tell you why I am writing this lengthy email.

I am not sure if I was required to report the following, but since probation was involved , I believe that I shoudl be transparent to avoid any problems.

On 7/19/2012, a retired police officer, a Brian Murphy, claimed that I was weaving while driving my white SUV to the airport at 5 AM. I will send you the details of that incident as soon as I arrive in Florida. I was subsequently arrested by a rookie Highway Patrol

(I will send you the arrest repoert). No bretalyzer was donel (I don't drink, I am a devout Muslim), and was arrested on a DUI based on a field sobriety test. I could not do the heel to toe walk (I had my neurologist letter, Carlos Gama, MD) that indicated that I had an equilibrium problem due to a concussion with LOC suffered on 8/5/2009.

The DUI was subsequently dismissed and I was charged with reckless driving and sentenced to one year probation, community service, a fine and order to take The DUI , course.

Due to the head Trauma of 2009, I was oerdered to have a comprehesve evaluation by a Head Trauma Specialist in Florida (Domingo Cerra, MD) in Florida (5 Hours evaluation) and by a Neuropsychologist in Nevada, Dr Kinsora, Ph.D. in Nevada (11 hours evaluation).

Both Doctors cleared me to return to the practice of Medicine.

On 10/14th or 15th 2015 I will forward to your attention a copy of the evaluations  
By Dr Cerra and Dr Kinsore.

If I rememeber anything else that may be of assistance to your deliberations, will  
also be included.

I conclusion, I am looking forward to put all these painfull memories behind me and  
return to my profession of thirty years

Respectfully

M Saleh, MD  
f



## NEVADA STATE BOARD OF MEDICAL EXAMINERS

[Search](#)

### Licensee Details

#### Person Information

Name: Mohamed Omar SALEH  
Address: 1306 Campbell Ave.  
Jacksonville FL 32207  
Phone:

#### License Information

License Type: Medical Doctor  
License Number: 11784 Status: Active  
Issue Date: 3/17/2006 Expiration Date: 6/30/2017

### Scope of Practice

Scope of Practice: Addiction Medicine

Scope of Practice: Psychiatry

### Education & Training

School: University of Bologna / Bologna, Italy  
Medical  
Degree\Certificate: Doctor  
Degree  
Date Enrolled:  
Date Graduated: 4/5/1979  
Scope of Practice:

School: University of Florida / Gainesville, FL  
Degree\Certificate: Residency  
Date Enrolled: 3/11/1982  
Date Graduated: 3/10/1986  
Scope of Practice: Psychiatry

School: Columbia University / New York, NY  
Degree\Certificate: Internship  
Date Enrolled: 7/1/1986  
Date Graduated: 6/30/1987  
Scope of Practice: Internal Medicine

School: Psychiatry  
Degree\Certificate: American  
Board  
Date Enrolled:  
Date Graduated: 6/30/1990  
Scope of Practice: Psychiatry

School: Forensic Psychiatry  
Degree\Certificate: Added  
Qualifications  
Date Enrolled:  
Date Graduated: 10/11/1994  
Scope of Practice: Forensic Psychiatry

School: Addiction Psychiatry  
Degree\Certificate: Added  
Qualifications  
Date Enrolled:

Date Graduated: 4/2/1996  
Scope of Practice: Addiction Psychiatry

CURRENT EMPLOYMENT STATUS / CONDITIONS/RESTRICTIONS ON LICENSE AND  
MALPRACTICE INFORMATION

CURRENT CONDITION ON LICENSE # 11784 September 11, 2015 Dr. Saleh to complete a six month preceptorship with Leo Gallofin, M.D. This is not a disciplinary action and is not reportable to any databank.

Board Actions

#13-31149-1 August 27, 2015 Completed all terms of the settlement agreement for the above case as of August 27, 2015. jl

\*\*\*\*\*

SETTLEMENT AGREEMENT Case # 13-31149-1 September 6, 2013 The Nevada State Board of Medical Examiners (Board) accepted the Settlement Agreement with Mohamed Omar Saleh, M.D. (Respondent), finding him guilty of violating Nevada Revised Statute 630.301(3), issuing a public reprimand, ordering that he complete ten (10) hours of Continuing Medical Education in opioid or pain management, ordering that he reimburse the Board its costs and fees within ninety (90) days, and dismissing Counts II, III and IV of the Complaint. Settlement Agreement: 7 pages

\*\*\*\*\* FORMAL

COMPLAINT Case # 13-31149-1 January 10, 2013 The Investigative Committee of the Nevada State Board of Medical Examiners filed a formal Complaint against Mohamed Omar Saleh, M.D. alleging violations of Nevada Revised Statutes (NRS) Chapter 630. Count I: Violation of NRS 630.301(3), any disciplinary action, including, without limitation, the revocation, suspension, modification or limitation of a license to practice any type of medicine, taken by another state. Count II: Violation of NRS 630.301(1)(f), conviction of a violation of any federal or state law regulating the possession, distribution or use of any controlled substance or any dangerous drug. Count III: Violation of NRS 630.306(3), administering, dispensing or prescribing any controlled substance to others except as authorized by law. Count IV: Violation of NRS 630.301(9), engaging in conduct that brings the medical profession into disrepute. ad Complaint: 6 pages

Please note that the settlement of a medical malpractice action may occur for a variety of reasons that do not necessarily reflect negatively on the professional competence or conduct of the provider. Therefore, there may be no disciplinary action appearing for a licensee even though there is a closed malpractice claim on file. A payment in the settlement of medical malpractice does not create a presumption that medical malpractice occurred. Sometimes insurance companies settle a case without the knowledge and/or agreement of the physician. This database represents information from insurers to date. Please note: All insurers may not have submitted claim information to the Board.

Close Window



## Nevada State Board of Medical Examiners

September 22, 2015

Mohamed Omar Saleh, M.D.  
1306 Campbell Ave.  
Jacksonville, FL 32207



**NEVADA STATE BOARD OF  
MEDICAL EXAMINERS**  
1105 Terminal Way Ste 301, Reno NV 89502  
775 688-2559 - [www.medboard.nv.gov](http://www.medboard.nv.gov)

This certifies that Mohamed Omar SALEH, M.D.  
holds Active Status Medical Doctor licensure  
in the state of Nevada in accordance with Nevada  
Revised Statutes Chapter 630.

License Number 11784 Issued: 03/17/2006  
Expires: 06/30/2017

*Madhuffi*  
President, Nevada State Board of Medical Examiners

Dear Dr. Saleh:

Your license status was changed from "Inactive" to "Active" on September 22, 2015. Enclosed is your wallet I.D. card. Also included is a copy of the Nevada Revised Statutes, Chapters 630 and 629, and Nevada Administrative Code, Chapter 630 and your receipt for the status change application fees.

As you are aware, your status change application was approved by the Board with the condition that you complete a six-month preceptorship with Leo Gallofin, M.D. This preceptorship requirement is not considered a disciplinary action, and is not reportable to any national database.

It is imperative that you keep the Board constantly advised of your current mailing address, in order that the Board newsletters and other educational information can be forwarded to you, and most important of all, that you receive your notice of registration renewal in order to keep your license in effect. Should you have questions regarding your licensure status in Nevada, please feel free to contact the Board staff in Reno.

Respectfully,

*Lynnette L. Daniels*  
for Lynnette L. Daniels  
Chief of Licensing

Enc.

☐ LAS VEGAS OFFICE  
Board of Medical Examiners  
Building A, Suite 2  
8010 S. Rainbow Boulevard  
Las Vegas, NV 89118  
Phone: 702-488-3300  
Fax: 702-488-3301

☒ RENO OFFICE  
Board of Medical Examiners  
Suite 301  
1105 Terminal Way  
Reno, NV 89502  
Phone: 775-688-2559  
Fax: 775-688-2391



The University of California, Irvine School of Medicine certifies that

**Mohamed O. Saleh, MD**

has participated in the live activity titled

**PBI Prescribing Course:  
Opioids, Pain Management and Addiction**

on

August 22-23 2015

The activity was designated for 21 AMA PRA Category 1 Credit(s)<sup>™</sup>  
The University of California, Irvine School of Medicine has verified that  
this participant attended 21 hours of the activity.

The University of California, Irvine School of Medicine is accredited by the  
Accreditation Council for Continuing Medical Education to provide medical  
education for physicians.

"This CME activity meets the requirements under California Assembly Bill 1195, continuing education and cultural and linguistic competency."

A handwritten signature in cursive script that reads "Gerald A. Maguire MD".

Gerald A. Maguire, MD  
Senior Associate Dean  
Medical Education



**NEVADA STATE BOARD OF PHARMACY**  
431 W Plumb Lane – Reno, NV 89509 – (775) 850-1440  
**APPLICATION FOR NEVADA PHARMACY LICENSE**

\$500.00 Fee made payable to: Nevada State Board of Pharmacy

**(non-refundable and not transferable money order or cashier's check only)**

Application must be printed legibly or typed

Any misrepresentation in the answer to any question on this application is grounds for refusal or denial of the application or subsequent revocation of the license issued and is a violation of the laws of the State of Nevada.

<input type="checkbox"/> New Pharmacy	<input checked="" type="checkbox"/> Ownership Change	<input type="checkbox"/> Name Change	<input type="checkbox"/> Location Change
(Please provide current license number if making changes: PH 02853 )			

<input type="checkbox"/> Publicly Traded Corporation – Pages 1,2,3,7,8a,8b	<input type="checkbox"/> Partnership - Pages 1,2,5,7,8a,8b
<input checked="" type="checkbox"/> Non Publicly Traded Corporation – Pages 1,2,4a,4b,7,8a,8b	<input type="checkbox"/> Sole Owner – Pages 1,2,6,7,8a,8b
Please check box for type of ownership and complete correct part of the application.	

**GENERAL INFORMATION to be completed by all types of ownership**

Pharmacy Name: CONCIERGE COMPOUNDING PHARMACEUTICALS, INC

Physical Address: 1887 WHITNEY MESA DRIVE

Mailing Address: SAME

City: HENDERSON State: NEVADA Zip Code: 89014

Telephone: 888-367-3092 Fax: 702-463-3111

Toll Free Number: 888-367-3092

E-mail: SALLY@CCRXPAIN.COM Website: CCRXPAIN.COM

Managing Pharmacist: SALLY CHIA License Number: 18013

**Hours of Operation:**

Monday thru Friday <u>6</u> am <u>5</u> pm	Saturday <u>6</u> am <u>1</u> pm
Sunday _____ am _____ pm	24 Hours _____

**TYPE OF PHARMACY**

**SERVICES PROVIDED**

- ☒ Retail
- ☐ Hospital (# beds \_\_\_\_\_)
- ☐ Internet
- ☐ Nuclear
- ☐ Out of State
- ☐ Ambulatory Surgery Center

- ☐ Off-site Cognitive Services
- ☐ Parenteral
- ☐ Parenteral (outpatient)
- ☐ Outpatient/Discharge
- ☐ Mail Service
- ☐ Long Term Care

# APPLICATION FOR NEVADA PHARMACY LICENSE

This page must be submitted for all types of ownership.

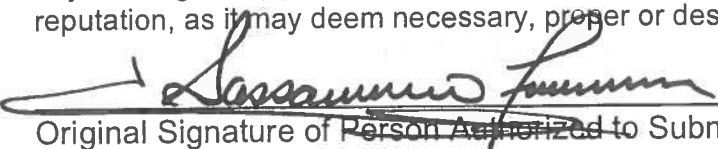
Within the last five (5) years:

- 1) Has the corporation, any owner(s), shareholder(s) or partner(s) with any interest, ever been charged, or convicted of a felony or gross misdemeanor (including by way of a guilty plea or no contest plea)? Yes ☐ No ☒
- 2) Has the corporation, any owner(s), shareholder(s) or partner(s) with any interest, ever been denied a license, permit or certificate of registration? Yes ☒ No ☐
- 3) Has the corporation, any owner(s), shareholder(s) or partner(s) with any interest, ever been the subject of an administrative action or proceeding relating to the pharmaceutical industry? Yes ☐ No ☒
- 4) Has the corporation, any owner(s), shareholder(s) or partner(s) with any interest, ever been found guilty, pled guilty or entered a plea of nolo contendere to any offense federal or state, related to controlled substances? Yes ☐ No ☒
- 5) Has the corporation, any owner(s), shareholder(s) or partner(s) with any interest, ever surrendered a license, permit or certificate of registration voluntarily or otherwise (other than upon voluntary close of a facility)? Yes ☐ No ☒

If the answer to questions 1 through 5 is "yes", a signed statement of explanation must be attached. Copies of any documents that identify the circumstance or contain an order, agreement, or other disposition may be required. *See attach*

I hereby certify that the answers given in this application and attached documentation are true and correct. I understand that any infraction of the laws of the State of Nevada regulating the operation of an authorized pharmacy may be grounds for the revocation of this permit.

I have read all questions, answers and statements and know the contents thereof. I hereby certify, under penalty of perjury, that the information furnished on this application are true, accurate and correct. I hereby authorize the Nevada State Board of Pharmacy, its agents, servants and employees, to conduct any investigation(s) of the business, professional, social and moral background, qualification and reputation, as it may deem necessary, proper or desirable.

  
Original Signature of Person Authorized to Submit Application, no copies or stamps

Farshad Sassounian  
Print Name of Authorized Person

9-26-15  
Date

Board Use Only

Received: \_\_\_\_\_ Amount: \$500.00

## APPLICATION FOR NEVADA PHARMACY LICENSE

### OWNERSHIP IS A NON PUBLICLY TRADED CORPORATION

State of Incorporation: Nevada

Parent Company if any: n/a

Corporation Name: CONCIERGE COMPOUNDING PHARMACEUTICALS, INC

Mailing Address: 1887 WHITNEY MESA DRIVE

City: HENDERSON State: NV Zip: 89014

Telephone: 888-367-3092 Fax: 702-463-3111

Contact Person: FRED@CCRXPAIN.COM

For any corporation non publicly traded, disclose the following:

1) List top 4 persons to whom the shares were issued by the corporation?

a) FARSHAD SASSOUNIAN 1887 WHITNEY MESA DRIVE HENDERSON, NV 89014  
Name Address

b) \_\_\_\_\_  
Name Address

c) \_\_\_\_\_  
Name Address

d) \_\_\_\_\_  
Name Address

**NOTE: All persons who are stockholders must accurately complete a personal history record form.** Download the form from the website under the "New Applications" tab. The forms are available under the *documents for all types of businesses*.

2) Provide the number of shares issued by the corporation. 100%

3) What was the price paid per share? 100% of stock transferred for \$28,067

4) What date did the corporation actually receive the cash assets? 10/1/15

5) Provide a copy of the corporation's stock register evidencing the above information

List any physician shareholders and percentage of ownership.

Name: N/A %: \_\_\_\_\_

Name: \_\_\_\_\_ %: \_\_\_\_\_

STATEMENT OF RESPONSIBILITY - Pharmacy  
For Corporations, Partnership or Sole Owners

I, FARSHAD SASSOUNIAN


Responsible Person of CONCIERGE COMPOUNDING PHARMACEUTICALS, INC.

hereby acknowledge and understand that in addition to the corporation's, any owner(s), shareholder(s) or partner(s) responsibilities, may be responsible for any violations of pharmacy law that may occur in a pharmacy owned or operated by said company.

I further acknowledge and understand that the corporation's, any owner(s), shareholder(s) or partner(s) may be named in any action taken by the Nevada State Board of Pharmacy against a pharmacy owned by or operated by said corporation.

I further acknowledge and understand that the corporation's, any owner(s), shareholder(s) or partner(s) cannot require or permit the pharmacist(s) in said pharmacy to violate any provision of any local, state or federal laws or regulations pertaining to the practice of pharmacy or operation of a pharmacy in Nevada.

I further acknowledge and understand that upon the change of managing pharmacist in the pharmacy, the owners must assure that an accountability audit of all controlled substances shall be performed jointly by the departing managing pharmacist and the new managing pharmacist.

  
Original Signature, no stamps or copies

9-26-15  
Date

## Statement of Responsibility

### Managing Pharmacist

Pharmacist Name: SALLY CHIA

License #: 18013

Pharmacy Name: CONCIERGE COMPOUNDING PHARMACEUTICALS, INC

As a managing pharmacist of the above referenced pharmacy, I understand within 48 hours after I report for duty as the managing pharmacist, I shall cause an inventory of all controlled substances of the pharmacy according to the method prescribed by the provision of 21 CFR Part 1304; and cause a copy of the inventory to be on file at the pharmacy.

I understand that as the managing pharmacist I am responsible for compliance by the pharmacy and its personnel with all state and federal laws and regulations relating to the operation of the pharmacy and the practice of pharmacy. I understand my license can be revoked or that I can be the subject of disciplinary action if such laws or regulations are knowingly violated in the pharmacy in which I am managing pharmacist.

I understand that if I cease to be managing pharmacist of the above named pharmacy I will jointly, with the new managing pharmacist, take an inventory of all controlled substances.

	Yes	No
Been diagnosed or treated for any mental illness, including alcohol or substance abuse, or physical condition that would impair your ability to perform the essential functions of your license?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
1. been charged, arrested or convicted of a felony or misdemeanor in any state?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2. been the subject of an administrative action whether completed or pending in any state?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3. had your license subjected to any discipline for violation of pharmacy or drug laws in any state?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If you marked YES to any of the numbered questions above, please include the following information		
Board Administrative Action:	State: _____	Date: _____ Case #: _____
And/or Criminal Action:	State: _____	Date: _____ Case #: _____
	County: _____	Court: _____

On or around October 15, 2013, Concierge Compounding Pharmacy entered into a Consent Order with the State of Oregon Board of Pharmacy (the "Board"). The Board submitted notice to Concierge on August 15, 2013 that alleged potential violations of Oregon pharmacy regulations and proposed a \$10,000.00 civil penalty per violation as permitted by Oregon statute. Instead of insisting upon this penalty, the Board agreed to settle with Concierge and only sought payment of \$3,000.00 while holding any future payments in abeyance for two years and agreeing to waive future payments after the expiration of the two-year period. Significantly, the Board did not seek to impact Concierge's ability to apply for a license in Oregon or take any other action to impact any other aspects of licensure with Oregon. Concierge determined that acceptance of this minor penalty was in its best interest given the potential costs associated with challenging the Board's allegations. Concierge did not admit to any wrongdoing and the Board did not insist upon any such admission in the Consent Order. *Consent Order*, attached hereto.

On November 29, 2013, The South Carolina State Board of Pharmacy (the "Board") denied Concierge's application for a nonresident pharmacy permit. The Board determined that Concierge had not met the standards of pharmacy as required by South Carolina law. Specifically, the Board determined that Concierge's practices were not consistent with current pharmacy compounding standards found in S.C. Code Ann. § 40-43-86(CC)(6). This particular code section provides:

The pharmacist shall ensure that there are formulas and logs maintained either electronically or manually. Formulas must be comprehensive and include ingredients, amounts, methodology, and equipment, if needed, and special information regarding sterile compounding. The pharmacist shall ensure that components used in compounding are accurately weighed, measured, or subdivided as appropriate at each stage of the compounding procedure to conform to the formula being prepared. Any chemical transferred to a container from the original container must be labeled with the same information as on the original container and the date of transfer placed on the label. The pharmacist shall establish and conduct procedures so as to monitor the output of compounded prescriptions, i.e., capsule weight variation, adequacy of mixing, clarity, pH of solutions, and, where appropriate, procedures to prevent microbial contamination of medications purported to be sterile. (emphasis added).

The Board determined that Concierge may re-file its application after the expiration of one (1) year. *Order*, attached hereto.

The Texas State Board of Pharmacy (the "Board") placed Concierge on 1-year probation as a result of the felony conviction of one of its officers. This information was voluntarily disclosed to the Board in Concierge's application. Significantly, the Board granted Concierge's application and issued a license.

On January 9, 2015, the Ohio State Board of Pharmacy denied Concierge's application for a nonresident pharmacy license as a result of the felony conviction of one of its officer and also due to making a false statement on the application regarding disciplinary actions against one of the pharmacist because officer was unaware of the disciplinary actions.



# OHIO STATE BOARD OF PHARMACY

77 South High Street, Room 1702; Columbus, OH 43215-6126

-Equal Opportunity Employer and Service Provider-

TEL: 614/466-4143

E-MAIL: [exec@bop.state.oh.us](mailto:exec@bop.state.oh.us)

FAX: 614/752-4836

TTY/TDD: Use the Ohio Relay Service: 1-800/750-0750

URL: <http://www.pharmacy.ohio.gov>

## ORDER OF THE STATE BOARD OF PHARMACY

(Case Number 2013-1308)

In The Matter Of:

**Concierge Compounding Pharmaceuticals**  
**c/o Hootan Melamed, R.Ph.**  
1887 Whitney Mesa Drive  
Henderson, NV 89014

-THIS IS A RED INK STAMP-  
I certify this to be a true and exact copy of  
the original document on file with the  
Ohio State Board of Pharmacy.  
*Steven W. Schieffelt*  
Steven W. Schieffelt, Esq., Executive Dir.  
Date: 1/9/15  
-MUST HAVE BOARD SEAL TO BE OFFICIAL-

### INTRODUCTION

The Matter of Concierge Compounding Pharmaceuticals came for hearing on December 2, 2014, before the following members of the Board: Michael A. Moné, R.Ph.; (presiding); Edward T. Cain, Public Member; Melinda J. Ferris, R.Ph.; Margaret A. Huwer, R.Ph.; Richard F. Kolezynski, R.Ph.; Megan E. Marchal, R.Ph.; Fred M. Weaver, R.Ph. and Kilee S. Yarosh, R.Ph.

Concierge Compounding Pharmaceuticals was represented by Johnathan A. Secrest. The State of Ohio was represented by Charissa D. Payer, Assistant Attorney General.

### SUMMARY OF EVIDENCE

#### State's Witnesses:

1. Hootan Melamed, R.Ph., Respondent
2. Sheri Zapadka, R.Ph., Ohio State Board of Pharmacy

#### Respondent's Witnesses:

1. Hootan Melamed, R.Ph., Respondent

#### State's Exhibits:

- |        |   |          |
|--------|---|----------|
| 1.     | Proposal to Deny/Notice of Opportunity for Hearing  | 07-11-14 |
| 1A-1C. | Procedurals   |          |
| 2.     | Terminal Distributor of Dangerous Drugs Application   | 04-24-13 |
| 2A.    | Terminal Distributor of Dangerous Drugs Application   | 04-15-14 |
| 3.     | United States District Court, Central District of California<br>Judgment and Probation/Commitment Order | 01-19-01 |
| 4.     | Nevada State Board of Pharmacy Correspondence   | 07-02-13 |
| 4A.    | Nevada State Board of Pharmacy Notice of Intended Action<br>and Accusation                              | 12-14-11 |
| 4B.    | Nevada Board of Pharmacy Order Ratifying Oral Stipulation   | 08-13-06 |

#### Respondent's Exhibits:

- |    |  |          |
|----|--|----------|
| A. | Attachments to Terminal Distributor of Dangerous Drugs Application | 04-24-13 |
| B. | Compliance Training Power Point                                    | 01-01-14 |



FINDINGS OF FACT

After having heard the testimony, observed the demeanor of the witnesses, considered the evidence, and weighed the credibility of each, the State Board of Pharmacy finds the following to be fact:

- (1) Records of the Board of Pharmacy indicate that on or about April 24, 2013, Hootan Melamed was the President for Concierge Compounding Pharmaceuticals, 1887 Whitney Mesa Drive, Henderson, Nevada 89014 and that on April 24, 2013, Concierge Compounding Pharmaceuticals submitted an application for registration as a Terminal Distributor of Dangerous Drugs.
- (2) On or about April 24, 2013, applicant did knowingly make a false statement with purpose to secure the issuance of a license or registration, to wit: the application shows a negative answer to the following question: "[h]as the applicant, owner(s), Responsible Person, any agent, or any employee of the location being licensed, or any officer of the corporation, ever been the subject of disciplinary action by any state or federal agency?" On two separate occasions, employee-pharmacist, Michelle Lynn Badten, was disciplined by the Nevada Board of Pharmacy. On November 8, 2009, Pharmacist Badten's license to practice pharmacy in Nevada was revoked for falsifying prescriptions to obtain Oxycontin to support her addiction to narcotic pain medications. Pharmacist Badten admitted that she had been addicted to Oxycontin for approximately five years and had filled, purchased and falsified as many as 50 prescriptions to support her drug addiction. Pharmacist Badten's license to practice pharmacy was later reinstated. Nevada State Board of Pharmacy v. Michelle Badten, R.Ph., Nevada Board of Pharmacy Case No. 09-051-RPH-S. On April 18, 2012, Pharmacist Badten's license to practice pharmacy in Nevada was again disciplined for failing to batch test compounded products for which she was responsible and for failing to verify the correctness of the compounding of a product for which she was responsible. Pharmacist Badten's Nevada license was placed on one year of probation, which included a prohibition against compounding until there was successful completion of a pharmacist remediation program Nevada State Board of Pharmacy v. Michelle Badten, R.Ph., et al., Nevada Board of Pharmacy Case Nos. 11-092A-RPH-S, 11-092B-RPH-S, 11-092C-RPH-S, 11-092-PH-S.
- (3) On or about January 19, 2001, Pharmacist and President of Concierge Compounding Pharmaceuticals, Hootan Melamed, was convicted of Conspiracy to Commit Securities Fraud, a Class D Felony. He was sentenced to the custody of the Bureau of Prisons for a term of 10 months, five months of which was to be completed in a home detention program with electronic monitoring, and five months of which was to be completed in a community correctional facility. He was ordered to pay restitution and interest. United States of America v. Hootan Melamed, U.S. Dist. Ct. No. CR00-7-GAF.

CONCLUSIONS OF LAW

(1) The State Board of Pharmacy concludes that paragraph (2) of the Findings of Fact constitutes a violation of 4729.57(A)(1) of the Ohio Revised Code.

(2) The State Board of Pharmacy concludes that paragraph (2) of the Findings of Fact constitutes a violation of 4729-9-19 (A)(3) and (A)(6) of the Ohio Administrative Code.

(3) The State Board of Pharmacy concludes that paragraph (3) of the Findings of Fact constitutes a violation of 4729-9-19 (A)(1) of the Ohio Administrative Code.

DECISION OF THE BOARD

Pursuant to Sections 3719.03 and 4729.53 of the Ohio Revised Code, and after consideration of the record as a whole, the State Board of Pharmacy hereby refuses to license or register Concierge Compounding Pharmaceuticals. and, therefore, denies the Application for a Terminal Distributor of Dangerous Drugs license submitted by Concierge Compounding Pharmaceuticals on April 24, 2013 and April 15, 2014.

Ms. Marchal moved for Findings of Fact; Ms. Huwer seconded the motion. Motion passed (Aye-7/Nay-0).

Ms. Ferris moved for Conclusions of Law; Ms. Yarosh seconded the motion. Motion passed (Aye-7/Nay-0).

Mr. Cain moved for Action of the Board; Ms. Ferris seconded the motion. Motion passed (Aye-7/Nay-0).

SO ORDERED.

It is hereby certified by this Board that the above language is a copy of the Order entered upon its Journal in this case.

Section 119.12 of the Ohio Revised Code authorizes an appeal from this Order. An order that denied admission to an examination, or denied the issuance or renewal of a license or registration, or revoked or suspended a license, may be appealed to the court of common pleas in the Ohio county of your place of business or in your Ohio county of residence. Any other order may be appealed to the Court of Common Pleas of Franklin County, Ohio.

Such an appeal, setting forth the order appealed from and the grounds of the appeal, must be commenced by the filing of the ORIGINAL Notice of Appeal with the State Board of Pharmacy and a copy with the appropriate court within fifteen (15) days after the mailing of this Order and in accordance with the requirements of Section 119.12 of the Ohio Revised Code.

BY ORDER OF THE STATE BOARD OF PHARMACY

ORDER MAILED & EFFECTIVE: January 9, 2015

By:   
Steven W. Schierholt, Esq., Executive Director

SWS/rlc  
Certified Mail / Return Receipt  
7011 1150 0001 6782 5375

c: Charissa D. Payer, Assistant Attorney General

RECEIVED

OCT 14 2013

BEFORE THE BOARD OF PHARMACY  
OF THE STATE OF OREGON

OREGON BOARD OF PHARMACY

In the Matter of ) Case No. 2013-0196  
)  
)  
Concierge Compounding Pharmaceuticals, Inc. )  
)  
Respondent )

CONSENT ORDER

WHEREAS, the Board of Pharmacy of the State of Oregon has filed a Notice of Proposed Civil Penalty; Answer Required ("Notice") regarding the Respondent in the above-captioned matter; and

WHEREAS, the above-noted Notice was duly served on the Respondent as required by law; and

WHEREAS, the parties are desirous of resolving and settling those matters contained in the above-noted Notice without further proceedings thereon; and

WHEREAS, the Respondent is aware of the right to a hearing with the assistance of counsel and the right to judicial review of the Board's decision, and hereby freely and voluntarily waives those rights; and

WHEREAS, Respondent acknowledges that the allegations in the Notice, if proven in a contested case proceeding would constitute grounds for imposition of a civil penalty as described herein; and

WHEREAS, Respondent does not admit or deny any wrongdoing and any liability with respect to the allegations in the Notice, and Respondent enters into this Agreement for the purpose of resolving this matter in order to avoid further litigation expenses and avoid the unpredictability inherent in litigation; and

WHEREAS, the Respondent consents to the civil penalty as set forth herein;

The Board finds that the allegations in the Notice are true and hereby imposes the following civil penalty:


1. The Respondent shall pay a civil penalty to the Board in the amount of \$10,000 with \$3,000 of the civil penalty to be paid within ten (10) days from the effective date of this Consent Order. The remaining \$7,000 civil penalty is stayed for two (2) years and will be waived after the expiration of this two (2) year period, so long as Respondent does not commit any licensing violations of a similar kind to those alleged in the Notice within this two (2) year period. The aforementioned two (2) year period commences on the effective date of this Consent Order.

47  
48 2. This Consent Order shall become effective immediately upon issuance by the  
49 Board.

50  
51 3. In the event that the Respondent fails to timely pay the civil penalty as ordered  
52 herein, the Board may take further action, after notice and hearing.  
53

54  
55 CONSENT

56  
57 I hereby acknowledge that I am the authorized representative of Respondent. On behalf  
58 of the Respondent, I further certify that I have read and understand the Notice and this Consent  
59 Order and am aware of the right to a hearing with the assistance of counsel and the right to  
60 judicial review of the Board's final order. On behalf of the Respondent I agree to the Board  
61 entering the Consent Order.  
62

63  
64  Allen Lumner  
65 Authorized Representative  
66 Concierge Compounding Pharmaceuticals, Inc.  
67 Respondent  
68

10/9/13  
\_\_\_\_\_  
Date

69  
70  
71 IT IS SO ORDERED.  
72

73  
74 BOARD OF PHARMACY  
75 FOR THE STATE OF OREGON  
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79 Gary Miner, R.Ph.,  
80 Compliance Director  
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10/15/13  
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BEFORE THE BOARD OF PHARMACY  
OF THE STATE OF OREGON

In the Matter of ) Case No. 2013-0196  
)  
)  
) NOTICE OF PROPOSED  
Concierge Compounding Pharmaceuticals, Inc. ) CIVIL PENALTY;  
) ANSWER REQUIRED  
)  
Respondent )  
)

Under the authority granted to the Oregon Board of Pharmacy (Board) pursuant to ORS Chapter 689 (the Oregon Pharmacy Act), including ORS 689.135, 689.145, 689.155 and 689.832(1), the Oregon Board of Pharmacy proposes to impose a civil penalty against Concierge Compounding Pharmaceuticals, Inc. located at 1887 Whitney Mesa Dr in Henderson, NV (Respondent) because Respondent violated the Oregon Pharmacy Act and the Board of Pharmacy rules as set forth below:

Respondent engaged in the distribution of drugs into Oregon without registering with the Oregon Board of Pharmacy as a drug outlet in violation of ORS 689.305, and ORS 689.335 which is grounds for imposition of a civil penalty pursuant to ORS 689.832(1), 689.335(1), 689.405(1)(e)(B), and 689.445.

Based on these alleged violations, the Board proposes to impose a civil penalty in an amount of \$10,000 per violation.

**HEARING RIGHTS**

The corporation is entitled to a hearing as provided by the Administrative Procedures Act (ORS chapter 183). An attorney must represent the corporation. If the corporation wishes to have a hearing, the corporation's attorney must file a written request for hearing with the Board within 21 days from the date this notice was mailed. The corporation's attorney may send or deliver a request for hearing to:

Oregon Board of Pharmacy  
800 NE Oregon Street, Suite 150  
Portland, OR 97232  
Fax: (971) 673-0002

If a request for hearing is not received within this 21-day period, the corporation's right to a hearing shall be considered waived.

If the corporation requests a hearing, the corporation's attorney will be notified of the time and place of the hearing. Before the commencement of the hearing, the corporation will be given information on the procedures, right of representation and other rights of parties relating to the conduct of the hearing.

If the corporation does not request a hearing within 21 days, or if it withdraws a hearing request, notifies the Board or Administrative Law Judge that it will not appear, or fails to appear at a scheduled hearing, the Board may issue a final order by default imposing discipline. If the Board issues a final order by default, it designates its file on this matter as the record.

### ANSWER REQUIRED

Pursuant to OAR 855-001-0010 and OAR 855-001-0015, if you request a hearing you must also provide, within 21 days from the date this contested case notice was served, a written answer to the allegations set forth in this contested case notice. Your written answer must include an admission or denial of each factual matter alleged in the notice and a short and plain statement of each relevant affirmative defense you may have. Except for good cause, factual matters alleged in the notice and not denied in the answer shall be presumed admitted; failure to raise a particular defense in the answer will be considered a waiver of such defense; new matters alleged in the answer (affirmative defenses) shall be presumed to be denied by the agency; and evidence shall not be taken on any issue not raised in the notice and the answer.

#### Hearing Request and Answers:

#### Consequences of Failure to Answer

#### 855-001-0015

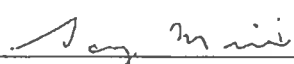
(1) A hearing request, and answer when required, shall be made in writing to the Board by the party or his attorney and an answer shall include the following:

- (a) An admission or denial of each factual matter alleged in the notice;
- (b) A short and plain statement of each relevant affirmative defense the party may have.

(2) Except for good cause;

- (a) Factual matters alleged in the notice and not denied in the answer shall be presumed admitted;
- (b) Failure to raise a particular defense in the answer will be considered a waiver of such defense;
- (c) New matters alleged in the answer (affirmative defenses) shall be presumed to be denied by the agency; and
- (d) Evidence shall not be taken on any issue not raised in the notice and the answer.

BOARD OF PHARMACY  
FOR THE STATE OF OREGON

  
\_\_\_\_\_  
Gary Miner, R.Ph.,  
Compliance Director

8/15/13  
\_\_\_\_\_  
Date

DATE OF MAILING via email 8-16-2013



## TEXAS STATE BOARD OF PHARMACY

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*Austin*

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*Vice President*  
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*Executive Director/Secretary*  
*Austin*

August 23, 2013

Concierge Compounding Pharmaceuticals, Inc.  
c/o Sally Chia, R.Ph.  
Pharmacist-in-Charge  
1887 Whitney Mesa Drive  
Henderson, NV 89014

RE: In the Matter of Concierge Compounding Pharmaceuticals, Inc.

Dear Ms. Chia:

Enclosed is a copy of Agreed Board Order (ABO) #L-13-019 that was entered by the Texas State Board of Pharmacy (TSBP) concerning the above-referenced matter. TSBP entered this Order on August 6, 2013. The requirements and conditions of the enclosed Order and matters relating to the Order are discussed below.

### PHARMACY LICENSE GRANTED

As a result of the entering of this Order, TSBP granted pharmacy license (number 28699) to Concierge Compounding Pharmaceuticals, Inc., 1887 Whitney Mesa Drive, Henderson, Nevada 89014.

### PROBATION PERIOD

As a result of the entering of this Order, the pharmacy license issued to Concierge Compounding Pharmaceuticals, Inc. is suspended for a period of one (1) year, with such suspension probated under the conditions that Concierge Compounding Pharmaceuticals, Inc. will abide by all the laws and rules pertaining to the practice of pharmacy. Such probation period commences upon issuance of the pharmacy license. Accordingly, the pharmacy license held by Concierge Compounding Pharmaceuticals, Inc. is on probation beginning August 8, 2013, and continuing through August 7, 2014.



Concierge Compounding Pharmaceuticals, Inc.  
August 23, 2013  
Page 2

### PROBATION FEE

Under the terms of this Order, Concierge Compounding Pharmaceuticals, Inc. must pay a probation fee of \$1,200.00. This fee is due on or before November 4, 2013. The cashier's check or money order must be made payable to the "Texas State Board of Pharmacy" and submitted to the Board's office by the due date. Please include the ABO number (#L-13-019) on the cashier's check or money order. Note: TSBP will not accept partial payments. You must submit payment for the full amount by the due date.

### LICENSE RENEWAL APPLICATIONS

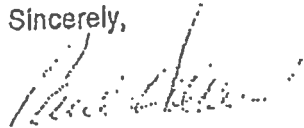
Prior to the next expiration date of pharmacy license #28699, the pharmacy will receive a license renewal application to complete and to return to the Texas State Board of Pharmacy. This application will require a pharmacy representative to answer the question:

"Has the PHARMACY, THE PHARMACY'S owner or any officer or partner (if the pharmacy is owned by a corporation or partnership) been the subject of any professional disciplinary action or are any such actions pending against you by a regulatory authority within the last 36 months?..."

As a result of the entry of ABO #L-13-019, Concierge Compounding Pharmaceuticals, Inc. must answer "yes" to this question for 36 months from the date of the termination of all sanctions. Consequently, a Concierge Compounding Pharmaceuticals, Inc. representative must answer "yes" to this question on any renewal applications submitted beginning August 6, 2013, and continuing through August 7, 2017.

If you have any questions about this Order, please contact me at (512) 305-8039.

Sincerely,



E. Paul Holder, R.Ph., MSc, Pharm.D.  
Assistant Director of Enforcement

PH:lc

Enclosure: Agreed Board Order #L-13-019

Concierge Compounding Pharmaceuticals, Inc.  
August 23, 2013  
Page 3

c: Misty Whitcomb  
TSBP Licensing Specialist

Hootan Melamed, President  
Concierge Compounding Pharmaceuticals, Inc.  
3651 Lindell Road #D179  
Las Vegas, NV 89103

AGREED BOARD ORDER #L-13-019

RE: IN THE MATTER OF  
CONCERGE COMPOUNDING  
PHARMACEUTICALS, INC.  
(APPLICANT FOR TEXAS  
PHARMACY LICENSE)

BEFORE THE TEXAS STATE  
BOARD OF PHARMACY

On this day came on to be considered by the Texas State Board of Pharmacy ("Board") the matter of the Application for Pharmacy License submitted by Concierge Compounding Pharmaceuticals, Inc. ("Applicant"), 1887 Whitney Mesa Dr., Henderson, Nevada 89014.

By letter dated July 2, 2013, the Board gave preliminary notice to Applicant of its intent to take disciplinary action. This action was taken as a result of an investigation which produced evidence indicating that Applicant may have violated:

Section 565.002(b)(2) of the Texas Pharmacy Act, TEX. OCC. CODE ANN. Title 3,  
Subtitle J (2011), in that allegedly:

COUNT

On or about January 19, 2001, Hootan Melamed (corporate president of Concierge Compounding Pharmaceuticals, Inc.) was convicted of the felony offense of Conspiracy to Commit Securities Fraud in Case No. CR00-7-GAF-2, in the United States District Court for the Central District of California. The action was based on evidence that Mr. Melamed and others artificially inflated the share prices of a company by posting false information on the Internet, after which the conspirators sold their shares for a profit of \$211,250. The trial court sentenced Mr. Melamed to 10 months prison followed by 3 years probation and ordered him to pay restitution.

An informal conference was held in the Board's office on July 10, 2013, with Hootan Melamed, Corporate President of Applicant, in attendance. The informal conference was heard by a Board panel comprised of: Dennis F. Wiesner, R.Ph., Board Member; Gay Dodson, R.Ph., Executive Director/Secretary; and Carol Fisher, R.Ph., M.P.A., Director of Enforcement; with Caroline K. Hotchkiss, Staff Attorney, serving as General Counsel. Tyler P. Vance, Staff Attorney, was also in attendance.

At the aforementioned conference, Hootan Melamed, Corporate President of Applicant, waived the right to be represented by legal counsel. By signing this Order, Hootan Melamed, Corporate President of Applicant, neither admits nor denies the truth of the matters previously

set out in this Order, and agrees that the Board has jurisdiction in this matter and waives the right to notice of hearing, formal administrative hearing, and judicial review of this Order.

The parties acknowledge that this Order resolves the allegations set forth herein, and agree to the terms and conditions set forth in the ORDER OF THE BOARD below.

ORDER OF THE BOARD

THEREFORE, PREMISES CONSIDERED, the Board does hereby ORDER that:

- (1) Applicant shall be granted a Texas Pharmacy License after successfully completing the requirements of licensure as set forth in the Texas Pharmacy Act, TEX. OCC. CODE ANN., Title 3, Subtitle J (2011) and the Texas Pharmacy Board Rules, 22 TEX. ADMIN. CODE (2013).
- (2) Applicant's license shall be suspended for a period of one (1) year, with such period to commence upon issuance of the license. Such suspension shall be probated under the conditions that Applicant abide by the terms of this Order, and shall not violate any pharmacy or drug statute or rule of this state, another state, or the United States with respect to pharmacy, controlled substances, and dangerous drugs.
- (3) Applicant shall pay a probation fee of one thousand two hundred dollars (\$1,200) due ninety (90) days after the entry of this Order.
- (4) Applicant shall be responsible for all costs relating to compliance with the requirements of this Order.
- (5) Applicant shall allow Board staff to directly contact Applicant on any matter regarding the enforcement of this Order.
- (6) Failure to comply with any of the requirements in this Order constitutes a violation and shall be grounds for further disciplinary action. The requirements of this Order are subject to the Texas Pharmacy Act, TEX. OCC. CODE ANN., Title 3, Subtitle J (2011), and Texas Pharmacy Board Rules, 22 TEX. ADMIN. CODE (2013).

Agreed Board Order #L-13-019.

Concierge Compounding Pharmaceuticals, Inc.

Page 3

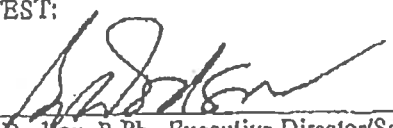
And it is so ORDERED.

THIS ORDER IS A PUBLIC RECORD.

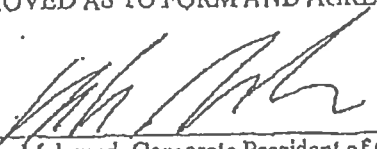
SIGNED AND ENTERED ON THIS 6th day of August, 2013.

  
\_\_\_\_\_  
MEMBER, TEXAS STATE BOARD OF PHARMACY


ATTEST:

  
\_\_\_\_\_  
Gay Dodson, R.Ph., Executive Director/Secretary  
Texas State Board of Pharmacy

APPROVED AS TO FORM AND AGREED TO:

  
\_\_\_\_\_  
Hootan Melamed, Corporate President of Concierge Compounding Pharmaceuticals, Inc.

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Kerstin E. Arnold, General Counsel  
Texas State Board of Pharmacy

0006449 11-24  
Office AU # 12100  
Operator I.D.: u277305 rano1075

CASHIER'S CHECK

0644902648

September 17, 2013

PAY TO THE ORDER OF

\*\*\*TEXAS STATE BOARD OF PHARMACY\*\*\*  
\*\*\*REF: ABO3L-13-019\*\*\*

\*\*\*One thousand two hundred dollars and no cents\*\*\*

\*\*\*\$1,200.00\*\*\*

WELLS FARGO BANK, N.A.  
2196 OLYMPIC AVE.  
HENDERSON, NV 89014  
FOR INQUIRIES CALL (480) 394-3122

VOID IF OVER US \$ 1,200.00

*Michael King*  
CONTROLLER

⑈0644902648⑈ ⑆121000248⑆ 511954⑈

0006449 11-24  
Office AU # 12100

CASHIER'S CHECK

Purchaser: ALLAN LUMMER  
Purchaser Account: 3848095126  
Operator I.D.: u277305

rano1075

PAY TO THE ORDER OF  
\*\*\*TEXAS STATE BOARD OF PHARMACY\*\*\*  
\*\*\*REF: ABO3L-13-019\*\*\*

\*\*\*One thousand two hundred dollars and no cents\*\*\*

\*\*\*\$1,200.00\*\*\*

SERIAL #: 0644902648  
ACCOUNT #: 4861-511954

September 17, 2013

SOUTH CAROLINA DEPARTMENT OF LABOR, LICENSING AND REGULATION  
BEFORE THE STATE BOARD OF PHARMACY

In the Matter of:

Concierge Compounding  
Pharmaceuticals,

Applicant.

ORDER

This matter came before the State Board of Pharmacy ("Board") for hearing on November 20, 2013 as a result of the Applicant's request for reconsideration of a nonresident pharmacy permit application ("Application") of Concierge Compounding Pharmaceuticals ("Applicant"). Applicant was duly noticed to appear due to a prior denial by the Board. Sally Chia, Pharmacist-in-Charge, appeared on behalf of the Applicant. Applications of this type are governed by S.C. Code Ann. §§40-43-83, 40-43-86, 40-43-89 (1976, as amended), and South Carolina Code of Regulations, Reg. 99-43, as amended.

FINDINGS OF FACT

1. Applicant is located in Henderson, Nevada.
2. Applicant submitted an application for a nonresident pharmacy permit ("Application"). The Applicant answered "yes" to the question "Have you pled guilty to any criminal prosecution, felony, or misdemeanor?" and "yes" to the question "Have you ever had an application for a pharmacy permit license, permit, or certificate or technician license or registration denied, refused, or revoked in South Carolina or any other state or country?"
3. Applicant's proposed pharmacist-in-charge is Sally Chia ("PIC"). The PIC is licensed in Nevada with license number 18013.
4. Applicant provided testimony, and has provided testimony in a prior Board appearance, that one of the owners has a federal conviction resulting in the first "yes" answer on the Application.
5. Applicant provided additional testimony regarding the denied permit; Applicant has previously been denied a permit as a nonresident pharmacy in South Carolina.
6. Applicant was asked about several specific policies and procedures and formulas. Related to

lot number 10032013K11, Applicant was questioned why on a 500 gram formula; Applicant would weigh out a "QS" (quantity sufficient) to 510 grams. Applicant testified that regarding measuring out the base, their normal procedure is to weigh out a more than a quantity sufficient of the base, and then add on until they get the actual 500 grams. After they weigh out all the ingredients, they QS to 500 grams. The documents state that the QS is 500, but they do not use a QS of 510 grams; they QS to 500 grams.

7. Applicant never adjusts powders for purity. Applicant does adjust products for water.

### CONCLUSIONS OF LAW

In an application hearing, "(t)he applicant shall demonstrate to the satisfaction of the board that the applicant meets all requirements for the issuance of a license." S.C. Code Ann. § 40-1-130 (1976, as amended). Thus, the burden of proof in an application for licensure or certification is on the Applicant to provide full, complete, and accurate responses to all questions on the application and to demonstrate that he or she is qualified for the license sought.

After consideration, the Board determined that approval of the permit should be denied based on testimony. Under the Pharmacy Practice Act, specifically in S.C. Code Ann. § 40-43-83(H), it states "The Board of Pharmacy may deny or refuse to renew a permit if it determines that the granting or renewing of such permit would not be in the public interest. If an application is refused, the board shall notify the applicant in writing of its decision and the reasons for its decision."

Here, the Board finds that it would not be in the public interest because the Board does not believe Applicant has met the standards of pharmacy practice as required by South Carolina law. The Board continues to have serious concerns with Applicant's practice; specifically, the practices listed in the Findings of Fact that are not consistent with current pharmacy compounding standards. Particularly, S.C. Code Ann. §40-43-86(CC)(6) states in relevant part:

The pharmacist shall ensure that there are formulas and logs maintained either electronically or manually. Formulas must be comprehensive and include ingredients, amounts, methodology, and equipment, if needed, and special information regarding sterile compounding. The pharmacist shall ensure that components used in compounding are accurately weighed, measured, or subdivided as appropriate at each stage of the compounding procedure to conform to the formula being prepared. Any chemical transferred to a container from the original container must be labeled with the same information as on the original container and the date of transfer placed on the label. The pharmacist shall establish and conduct procedures so as to monitor the output of compounded prescriptions, i.e.,



capsule weight variation, adequacy of mixing, clarity, pH of solutions, and, where appropriate, procedures to prevent microbial contamination of medications purported to be sterile. (emphasis added).

Here, the procedures testified to do not comport with the minimum standards as set forth in South Carolina law. From Applicant's testimony, it appears that Applicant's component measurement and formulas do not comport. Applicant is using a formula requiring a quantity sufficient to 500 grams, then measuring a quantity sufficient to 510 grams, which is not accurately weighing and measuring, as appropriate to each stage of the compounding procedures to conform to the formula being prepared. The formula followed requires QS to 500 grams, and they measure a QS to 510 grams.

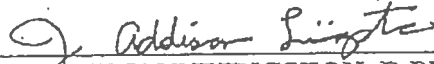
Additionally, the Board has concerns that adjustments are never made for chemical powders that are not 100% pure. Applicant testified that even with active ingredients that are 98% pure, there are no adjustments to bring the active ingredient to the correct 100% potency. Thus, there is concern that, in Applicant's actual practice, there are not adequate procedures to monitor that the output compounded prescription is at the correct strength.

**THEREFORE, IT IS ORDERED** that Applicant's Application is DENIED. Applicant may reapply for licensure after a period of one year.

**AND IT IS SO ORDERED.**

SOUTH CAROLINA DEPARTMENT OF  
LABOR, LICENSING & REGULATION

STATE BOARD OF PHARMACY

  
J. ADDISON LIVINGSTON, R.Ph., PharmD  
Chairman

January 16, 2014.

South Carolina Department of Labor, Licensing & Regulation

STATE OF SOUTH CAROLINA

COUNTY OF LEXINGTON

In the Matter of:

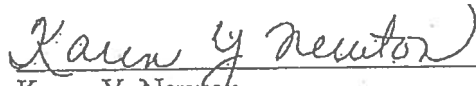
CONCIERGE COMPOUNDING  
PHARMACEUTICALS

PY .

CERTIFICATE OF SERVICE BY MAIL

This is to certify that the undersigned has this date, January 16, 2014, served the Order in the above entitled action upon all parties to this cause by depositing a copy hereof, in the United States mail, postage paid, or in the Interagency Mail Service addressed to the party(ies) or their attorney(s) to the following address:

CONCIERGE COMPOUNDING PHARMACEUTICALS  
1887 WHITNEY MESA DR  
HENDERSON, NV 89014



Karen Y. Newton  
Administrative Coordinator  
SC Department of Labor, Licensing  
and Regulation

# PERSONAL HISTORY RECORD for Pharmacy, MDEG & Wholesaler

Date 9/26/2015

## GENERAL INSTRUCTIONS

Type an answer to every question. If a question does not apply to you, so state with N/A. If space available is insufficient, continue on page 10 or use a separate sheet and precede each answer with the appropriate title. Do not misstate or omit any material fact(s) as each statement made hererin is subject to verification. Applicant must initial each page, as provided in lower right hand corner. By placing his initials on each page, the applicant is attesting to the accuracy and completeness of the information contained on that page.

All applicants are advised that this personal history record is an official document and misrepresentation or failure to reveal information requested may be deemed to be sufficient cause for the refusal or revocation of a license.

All applicants are further advised that an application for a license, finding of suitability or for other action may not be withdrawn without the permission of the licensing agency.

Application for \_\_\_\_\_  
Nature of License \_\_\_\_\_

Name and Address of Establishment for Which License Is Requested  
Concierge Compounding Pharmaceuticals, INC.  
If applicable, Name Under Which It Is Now Operated \_\_\_\_\_

### 1. PERSONAL INFORMATION:

SASSOUNIAN Farshad  
Last Name First Name Middle Name

Alias(es, Nicknames, Maiden Name, Other Name Changes, Legal or Otherwise) \_\_\_\_\_

25308 Prado de las Estrellas Calabasas CA 91302  
Present Residence Address-Street or RFD City State/Zip

1887 Whitney Mesa Dr. Henderson NV 89014  
Present Business Address City State/Zip

SELF Employed.  
Occupation Dates

Phone:  
Residence \_\_\_\_\_  
Business \_\_\_\_\_

Theran - Iran  
Date of Birth Place of Birth (City, County, State)

43 MALE.

Age Social Security Number Sex

BRN. BRN WHT 240 lbs. 5'10"

Color of Eyes Color of Hair Complexion Weight Build Height

Scars, tattoos or distinguishing marks and/or characteristics NONE

Are you a citizen of the United States? Yes ☒ No ☐ If alien, registration No \_\_\_\_\_

If naturalized, certificate No \_\_\_\_\_ Date \_\_\_\_\_

Place \_\_\_\_\_ (If naturalized, document must be verified.)

### 2. MARITAL INFORMATION:

Single ☐ Married ☒ Separated ☐ Divorced ☐ Widowed ☐ Engaged ☐

Applicant's initial 87.

A. Current Marriage September 2<sup>nd</sup> 2001 Marina del Rey, Ca  
 Date City, County and State  
 Spouse's full name (Maiden) Dalia Sassounian S.S. No. \_\_\_\_\_  
 Date of Birth 1 - - 1978 Place of Birth Theran, Iran  
 Resident address 25308 Prado de las Estrellas Calabasas CA 91302  
 Street City State Zip  
 Telephone: Residence --- Business 0  
 Spouse's employer N/A Occupation House wife.  
 Address of employer N/A  
 Street City State Zip

B. Previous Marriages: If ever legally separated, divorced, or annulled, indicate below:

Name of Spouse	Date of Order or Decree	Date of Place of Marriage	Nature of Action	City County and State
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- NONE -

List of names, current address and telephone numbers of previous spouses:

Name	Street	City	State	Zip	Telephone
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- NONE -

3. FAMILY INFORMATION:

A. Children and Dependents:

List all children, including step-children and adopted children and give the following information:

Name	Birth Date	Birth Place	Residence Address
------	------------	-------------	-------------------

B. Child Support Information:

Please mark the appropriate response:

- ☒ I am not subject to a court order for the support of child.
- ☐ I am subject to a court order for the support of one or more children and am in compliance with a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order; or
- ☐ I am subject to a court order for the support of one or more children and NOT in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order.

Applicant's initial

sf

**FAMILY INFORMATION-Continued**

District attorney or public agency responsible for enforcing the child support order:

Name.....

Address..... - None -

Contact person.....

**C. Parents:**

List names, residence addresses, dates of birth and most recent occupations of parents, step-parents, parents-

in-law or legal guardian. If retired or deceased, list last address and occupation.

Name (Maiden)	Birth Date	Address	Occupation
Nasser Sassounian		5327 Lubao Ave. WH CA 91364	
Parvin Sassounian		5327 Lubao Ave. WH CA 91364	

Mother

DECEASED

Father-in-Law

Yaffa Chadorchi L -- 10450 Wilshire Blvd. #4J

Mother-in-Law

L.A. CA. 90024.

**D. Brothers and Sisters:**

List names, residence addresses, dates of birth and most recent occupations of brothers and sisters and of their respective spouses.

Name (Maiden)	Birth Date	Address	Occupation
ZIBA. ROSEN.		25029 Rey Alberto Ct, Calabasas CA 91302.	
Dr. DAN ROSEN.		16542 Ventura Blvd #505, Encino CA 91436	DENTIST

Spouse

Spouse FARHAD SASSOUNIAN. 147 N. SAN FERNANDO Rd. Burbank CA 91502 -

Shirila Sassounian. (Housewife)

Spouse

Spouse

**4. EDUCATION:**

Name of School	Location	Dates Attended	Graduate
Grammar School Roosevelt	Santa Monica	1982	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
High School Santa Monica High School		1989	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
College University Cal State Univ. Northridge.		1995	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Other University OF LA VERNE LAW.		2000	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

Type of degree obtained, if any..... JURIS DOCTOR.

College or university where obtained..... Bachelor of Science. &lt;HEALTH Admins.&gt;

Applicant's initial..... 57.

## 5 MILITARY INFORMATION:

A. Have you ever served in any armed forces?

Yes ☐ No ☒

Branch \_\_\_\_\_ Date of entry-active service \_\_\_\_\_

Date of separation \_\_\_\_\_ Type of discharge \_\_\_\_\_

Rating at separation \_\_\_\_\_ Serial number \_\_\_\_\_

While in the military service were you ever arrested for an offense which resulted in summary action, a trial or special or general court martial? Yes ☐ No ☐ If yes, furnish details on page 10. (List all incidents regardless of where they occurred-foreign or domestic.)

B. Have you registered for the draft?

Yes ☐ No ☒

County \_\_\_\_\_ State \_\_\_\_\_ Date registered \_\_\_\_\_

## 6. ARRESTS, DETENTIONS, LITIGATIONS AND ARBITRATIONS: (Include those arrests in which you were not convicted.)

A. Have you ever been arrested, detained, charged, indicted or summoned to answer for any criminal offense or violation for any reason whatsoever, regardless of the disposition of the event? (Except minor traffic citations.) Yes ☐ No ☒ If yes, give details in space provided below. List all cases without exception.

Date of Arrest	Age	Charge	Location-City and State	Deposition/Date	Arresting Agency
----------------	-----	--------	-------------------------	-----------------	------------------

NEVER

B. Has a criminal indictment, information or complaint ever been returned against you, but for which you were not arrested or in which you were named as an unindicted co-party? Yes ☐ No ☒ If yes, furnish details on page 10.

C. Have you ever been questioned or deposed by a city, state, federal or law enforcement agency, commission or committee? Yes ☐ No ☒

D. Have you ever been subpoenaed to appear or testify before a federal, state or county grand jury, board or commission? Yes ☐ No ☒

E. Have you ever been subpoenaed to testify for any civil, criminal or administrative proceeding or hearing? Yes ☒ No ☐

F. Have you ever had a civil or criminal record expunged or sealed by a court order? Yes ☐ No ☒ If yes, when? \_\_\_\_\_ city, county and state \_\_\_\_\_

G. Have you ever received a pardon or deferred prosecution for any criminal offense? Yes ☐ No ☒ If yes when? \_\_\_\_\_ city, county and state \_\_\_\_\_

H. Has any member of your family or of your spouse's family ever been convicted of a felony? Yes ☐ No ☒ If you answer to any of the above questions (B through H) is yes, furnish details on page 10.

Name	Relationship	Charge	Location	Date
------	--------------	--------	----------	------

Applicant's initial \_\_\_\_\_

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## ARRESTS, DETENTIONS, LITIGATIONS AND ARBITRATIONS-Continued

- I. Have you, as an individual, member of a partnership, or owner, director or officer of a corporation, ever been a part to a lawsuit as either a plaintiff or defendant or an arbitration as either a claimant or respondent?

Yes ☒ No ☐ (Other than divorces)

If yes, give details below. List all cases without exception, including bankruptcies:

Plaintiff/Defendant or Claimant/Respondent	Date Filed	Court and Case Number	City, County and State	Disposition/Date
CCR X V. Express Scripts		U.S. District Court Case NO. 1:2015-CV-00037		
CCR X V. Express Scripts		U.S. District court Case NO 1:14-CV-01095		
CCR X V. Catamaran		COOK county Circuit Court NO 2014-CH-08743		
Dawafi, LLC, et al. v Tyy Consulting, Inc et al		Superior Court of state of CA No. BC5237		

J. Has any general partnership, business venture, sole proprietorship or closely held corporation (while you were associated with it as an owner, officer, director or partner) been a party to a lawsuit, arbitration or bankruptcy?

Yes ☒ No ☐ If yes, complete the following:

Name of Entity	Type of Entity	Approximate Date(s) of Lawsuit/Arbitration/Bankruptcy
"SEE ABOVE"		

## 7. RESIDENCES:

List all residences you have had for the last 25 years:

Month and Year (From-To)	Street and Number	City	State or County
Present - 2013	25308 Prado de las Estrellas	Calabasas	CA 91302
2013 - 2005	3712 Paseo Primario	Calabasas	CA 91302
2005 - 2003	22510 Sylvan St.	Woodland Hills	CA 91302
2003 - 2001	22281 Summit View Dr.	WH	CA 91302
2001 - 1989	5327 Lubao Ave.	Woodland Hills	CA 91302

\* 2700 S. LAS Vegas Blvd. #502. LAS Vegas NV.

Applicant's initial

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## 8. EMPLOYMENT:

Beginning with your current employment, list your work history, all businesses with which you have been involved, and/or all periods of unemployment since 18 years of age. Also, list all corporations, partnerships or any other business ventures with which you have been associated as an officer, director, stockholder or related capacity.

<u>Current</u>	<u>Concierge Compounding Pharmaceuticals</u>	<u>N/A.</u>
Month and Year	Name/Mailing Address of Employer/Business	Reason for Leaving
<u>OFFICER</u>	<u>Human Resources - / OPERATIONS.</u>	<u>—</u>
Title	Description of Duties	Name of Supervisor
<u>2010-2012</u>	<u>ALEXSO, INC.</u>	<u>Sold my % in business.</u>
Month and Year	Name/Mailing Address of Employer/Business	Reason for Leaving
<u>OFFICER.</u>	<u>Accounting - productions.</u>	<u>— dissolution of Partnership</u>
Title	Description of Duties	Name of Supervisor
<u>2010-2015</u>	<u>Tyy Consulting INC.</u>	<u>dissolution of Partnership.</u>
Month and Year	Name/Mailing Address of Employer/Business	Reason for Leaving
<u>OFFICER</u>	<u>Human Resources -</u>	<u>—</u>
Title	Description of Duties	Name of Supervisor
<u>2007-2010</u>	<u>NEW AGE Pharmaceuticals INC.</u>	<u>NO ROOM FOR GROWTH.</u>
Month and Year	Name/Mailing Address of Employer/Business	Reason for Leaving
<u>Customer Relations</u>	<u>Operations / Collections.</u>	<u>Hootan Melamed.</u>
Title	Description of Duties	Name of Supervisor
<u>2001-2007</u>	<u>Thousand Oaks Beauty Collection</u>	<u>N/A.</u>
Month and Year	Name/Mailing Address of Employer/Business	Reason for Leaving
<u>OFFICER</u>	<u>owner - day to day - Accounting</u>	<u>Parvin Sassoumian (now)</u>
Title	Description of Duties	Name of Supervisor
<u>1998-2001</u>	<u>SECURITY PACIFIC BANK / Bank of America.</u>	<u>NO ROOM FOR GROWTH.</u>
Month and Year	Name/Mailing Address of Employer/Business	Reason for Leaving
<u>New Accounts.</u>	<u>Teller - Merchants - Training</u>	<u>Colleen Garcia.</u>
Title	Description of Duties	Name of Supervisor
Month and Year	Name/Mailing Address of Employer/Business	Reason for Leaving
Title	Description of Duties	Name of Supervisor
Month and Year	Name/Mailing Address of Employer/Business	Reason for Leaving
Title	Description of Duties	Name of Supervisor

If additional space is needed, continue on page 10 or provide attachment.

Applicant's initial 87.  
Page 6



## 9. CHARACTER REFERENCES:

List five character reference who have know you five years or more. Do not include relatives, present employer or employees.

Name of Where Employed	Street	City	State	Zip	Telephone	Years Known
Name <u>DR. DAN ROSEN</u>	Home <u>25029 Rey Alberto Ct,</u>			<u>91302</u>		<u>20 yrs plus -</u>
Employer	Business					
Name <u>SASAN Heydari</u>	Home <u>C.P.A. ESA</u>					<u>20yrs plus -</u>
Employer <u>JON LAUTUS</u>	Business					<u>5yrs plus -</u>
Name <u>TRICK Davidson</u>	Home <u>5016 W Post Rd. L.V.</u>			<u>89118</u>	<u>1</u>	<u>5yrs. plus -</u>
Employer	Business					
Name <u>Michael Modabberpour</u>	Home <u>625 S. Fairfax Ave.</u>			<u>90236</u>	<u>3</u>	<u>10yrs plus -</u>
Employer	Business					
Name	Home					
Employer	Business					

10. Do you have any safe deposit box or other such depository, access to any depository or do you use any other person's depository? Yes ☒ No ☐  
If yes, complete the following:

Box Number or Type of Depository	Location	City and State	Authorized Users
<u>Citibank Calabasas Branch</u>			<u>Dalia Sassounian -</u>

11. Have you ever held a privileged, occupational or professional license in any state, including but not limited to the following:

Liquor	Lawyer	Race horse/race dog owner	Securities dealer	Insurance
Doctor	Contractor	Real estate broker or salesman	Barber/Cosmetologist	Gaming
Accountant	Pilot	Sports promoter	Trainer or manager	Educator

Yes ☒ No ☐

If yes, state type, where and years held

REAL Estate salesperson California.

12. Have you ever applied for a city, county or state business, venture or industry license or held a financial interest in a licensed business or industry OUTSIDE the State of Nevada? Yes ☒ No ☐  
If yes, state type, when and where and give names and locations of the businesses in which you were involved, the names and address of all partners and the agency responsible for licensing said business, venture or industry.

Thousand Oaks Beauty Collection INC. BEAUTY Gallery INC. (dissolved)

Burbank BEAUTY INC. (dissolved), Alexso INC (dissolved), Tyy Consulting (dissolved)

1<sup>st</sup> class pharmaceuticals INC.

Applicant's initial BT

13. Have you ever appeared before any licensing agency or similar authority in or outside the State of Nevada for any reason whatsoever? Yes ☒ No ☐  
South Carolina

14. Have you ever been denied a personal license, permit, certificate or registration for a privileged, occupational or professional activity? Yes ☐ No ☒

If yes to the above, state where, when and for what reason:

15. Have you ever been refused a business or industry license or related finding of suitability or been a participant in any group which has been denied a business or industry license or related finding of suitability? Yes ☒ No ☐

16. Have you or any person with whom you have been a participant in any group been the subject of an administrative action or proceeding relating to the pharmaceutical industry? Yes ☒ No ☐

17. Have you or any person with whom you have been a participant in any group ever been found guilty, plead guilty or entered a plea of nolo contendere to any offense, federal or state, related to prescription drugs and/or controlled substances? Yes ☐ No ☒

18. Have you or any person with whom you have been a participant in any group ever surrendered a license, permit or certificate of registration relating to the pharmaceutical industry voluntarily or otherwise (other than upon voluntary close of a manufacturer) Yes ☐ No ☒

19. Do you have any relatives within the fourth degree of consanguinity associated with or employed in the pharmaceutical or drug related industry? Yes ☐ No ☒



Date of photograph 9-26-2015

Applicant's initial sf

STATE OF .....

SS.

COUNTY OF .....

I, Farshad Sassounian, being duly sworn, depose and say I have read the foregoing application and know the contents thereof; that the statements contained herein are true and correct and contain a full and true account of the information requested; that I executed this statement with the knowledge that misrepresentation or failure to reveal information requested may be deemed sufficient case for denial or revocation of a manufacturer license; that I am voluntarily submitting this application with full knowledge that Nevada Revised Statutes 639.210 (10) provides denial or revocation of the application of any person for a certificate, license, registration or permit if the holder or applicant "Has obtained any certificate, certification, license or permit by the filing of an application, or any record, affidavit or other information in support thereof, which is false or fraudulent," and further, that I have familiarized myself with the contents of Nevada Statutes on Pharmacists and Manufacturer and the Controlled Substances Act, as amended, and the Regulations of the Nevada State Board of Manufacturer as promulgated thereunder and agree, if licensed, to abide thereby,

I hereby expressly waive, release and forever discharge the State of Nevada, the licensing agency and their agents from any and all manner of action and causes of action whatsoever which I, my administrators or executors can, shall or may have against the State of Nevada, the licensing agency and their agents, as a result of my applying for a manufacturer license in the State of Nevada.

  
Original Signature of Applicant

FARSHAD SASSOUNIAN

Subscribed and Sworn to before me this ..... day of

.....

.....

Notary Public

(seal)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

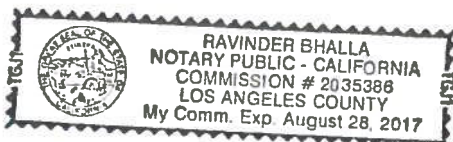
County of Los Angeles

Subscribed and sworn to (or affirmed) before me this 28th day

of September, 2015, by Farshad Sassounian

....., proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

Signature  (Seal)



Applicant's initial sf.  
Page 9

Pg 4 Question E.)

I was subpoenaed and testified as a witness for U.S. Attorney vs. Ronnie Fekrat criminal hearing case. I was NOT part of, or involved in case, only as a witness.

Pg 8 Question #15

\* South Carolina -

Pg 8 Question #16

\* OHIO

\* TEXAS

\* OREGON

# NEVADA STATE BOARD OF PHARMACY

431 W Plumb Lane – Reno, NV 89509 – (775) 850-1440

## APPLICATION FOR NEVADA Medical Device, Equipment & Gases (MDEG)

\$500.00 Fee made payable to: Nevada State Board of Pharmacy

(non-refundable and not transferable money order or cashier's check only)

Application must be printed legibly or typed

Any misrepresentation in the answer to any question on this application is grounds for refusal or denial of the application or subsequent revocation of the license issued and is a violation of the laws of the State of Nevada.

<input checked="" type="checkbox"/> New MDEG	<input type="checkbox"/> Ownership Change	<input type="checkbox"/> Name Change	<input type="checkbox"/> Location Change
(Please provide current license number if making changes: MP or MW _____)			

<input type="checkbox"/> Publicly Traded Corporation – Pages 1,2,3,4	<input type="checkbox"/> Partnership - Pages 1,2,3,6
<input type="checkbox"/> Non Publicly Traded Corporation – Pages 1,2,3,5a,5b	<input checked="" type="checkbox"/> Sole Owner – Pages 1,2,3,7
Please check box for type of ownership and complete correct part of the application.	

### GENERAL INFORMATION to be completed by all types of ownership

MDEG Name: HST, LLC

Physical Address: 9017 S. Pecos Rd. #4500, Henderson, NV 89074  
(This must be a business address, we can not issue a license to a home address)

Mailing Address: 1000 N. Green Valley Pkwy, # 440-644

City: Henderson State: NV Zip Code: 89074

Telephone: 702-210-8466 Fax: 702-897-0574

E-mail: HSTNV@cox.net Website: N/A

### DAYS AND HOURS THAT THE FACILITY WILL BE REGULARLY OPERATING

Mon: 9 to 6 Tue: 9 to 6 Wed: 9 to 6 Thu: 9 to 6

Fri: 9 to 6 Sat: 10 to 2 Sun: — to — Holidays: — to —

### MDEG ADMINISTRATOR INFORMATION (MDEG administrator application required)

Name: Christina Malfetta

### TYPE OF MDEG PRODUCTS THAT WILL BE SOLD (CHECK ALL APPLICABLE)

- |   |   |
|---|---|
| <input type="checkbox"/> Medical Gases**                                | <input type="checkbox"/> Assistive Equipment                |
| <input checked="" type="checkbox"/> Respiratory Equipment** <u>APAP</u> | <input type="checkbox"/> Parenteral and Enteral Equipment** |
| <input type="checkbox"/> Life-sustaining equipment** <u>machines</u>    | <input type="checkbox"/> Orthotics and Prosthesis           |
| <input type="checkbox"/> Diabetic Supplies                              | Other: _____  |

\*\*If providing these types of services you are required to have in place a mechanism to ensure continued care in the event of an emergency. Provide name and telephone number of Nevada contact. Name: Christina Malfetta Telephone: 702 210-8466

## APPLICATION FOR NEVADA MDEG LICENSE

This page must be submitted for all types of ownership.

List all Medicare and Medicaid provider numbers registered to the business or its owner:

143712 3411 \_\_\_\_\_  
118 480 3801 \_\_\_\_\_  
\_\_\_\_\_

- 1) Do any shareholders hold an interest ownership or have management in any type of business or facility which are licensed by the State of Nevada or another political jurisdiction? Yes ☒ No ☐
- 2) Are you or have you in the last year been associated with any person, business or health care entity in which MDEG products were sold, dispensed or distributed? Yes ☐ No ☒
- 3) <sup>NO</sup> Are any of the owners health professionals? If yes, please check the box and list name.
- |   |                 |
|---|-----------------|
| <input type="checkbox"/> Practitioner                     | Name: _____     |
| <input type="checkbox"/> Advanced Practitioner of Nursing | Name: _____     |
| <input type="checkbox"/> Physician's Assistant            | Name: <u>NA</u> |
| <input type="checkbox"/> Physical Therapist               | Name: _____     |
| <input type="checkbox"/> Occupational Therapist           | Name: _____     |
| <input type="checkbox"/> Registered Nurse                 | Name: _____     |
| <input type="checkbox"/> Respiratory Therapist            | Name: _____     |

Practicing licensed health care professionals cannot obtain a license per NAC 639.6943.

## APPLICATION FOR NEVADA MDEG LICENSE

This page must be submitted for all types of ownership.

Within the last five (5) years:

- 1) Has the corporation, any owner, shareholder(s) or partner(s) with any interest, ever been charged, or convicted of a felony or gross misdemeanor (including by way of a guilty plea or no contest plea)? Yes ☐ No ☒
- 2) Has the corporation, any owner(s), shareholder(s) or partner(s) with any interest, ever been denied a license, permit or certificate of registration? Yes ☐ No ☒
- 3) Has the corporation, any owner(s), shareholder(s) or partner(s) with any interest, ever been the subject of an administrative action or proceeding relating to the pharmaceutical industry? Yes ☐ No ☒
- 4) Has the corporation, any owner(s), shareholder(s) or partner(s) with any interest, ever been found guilty, pled guilty or entered a plea of nolo contendere to any offense federal or state, related to controlled substances? Yes ☐ No ☒
- 5) Has the corporation, any owner(s), shareholder(s) or partner(s) with any interest, ever surrendered a license, permit or certificate of registration voluntarily or otherwise (other than upon voluntary close of a facility)? Yes ☐ No ☒

If the answer to questions 1 through 5 is "yes", a signed statement of explanation must be attached. Copies of any documents that identify the circumstance or contain an order, agreement, or other disposition may be required.

I hereby certify that the answers given in this application and attached documentation are true and correct. I understand that any infraction of the laws of the State of Nevada regulating the operation of an authorized MDEG provider or wholesaler may be grounds for the revocation of this permit.

I have read all questions, answers and statements and know the contents thereof. I hereby certify, under penalty of perjury, that the information furnished on this application are true, accurate and correct. I hereby authorize the Nevada State Board of Pharmacy, its agents, servants and employees, to conduct any investigation(s) of the business, professional, social and moral background, qualification and reputation, as it may deem necessary, proper or desirable.

Christina Malfetta  
Original Signature of Person Authorized to Submit Application, no copies or stamps

Christina Malfetta  
Print Name of Authorized Person

8-17-15  
Date

Board Use Only

Received: \_\_\_\_\_

Amount: \$500.00

## APPLICATION FOR NEVADA MDEG LICENSE

**OWNERSHIP IS A SOLE OWNER.** All information relates to the person listed as the owner.

Owner's Name: Christina Malfetta  
Business Name: HST, LLC  
Current Business Address: 9017 S. Pecos Rd, # 4500  
City: Henderson State: NV Zip: 89074  
Telephone: 702 210-8444 Fax: 702-897-0574

### SOLE OWNER

#### **Include with the application for a sole owner**

Complete personal history record Must be original signature(s), no copies or stamps. Download the form from the website. Download the form from the website under the "New Applications" tab. The forms are available under the *documents for all types of businesses*.



# PERSONAL HISTORY RECORD for Pharmacy, MDEG & Wholesaler

Date 8-17-15

## GENERAL INSTRUCTIONS

Type an answer to every question. If a question does not apply to you, so state with N/A. If space available is insufficient, continue on page 10 or use a separate sheet and precede each answer with the appropriate title. Do not misstate or omit any material fact(s) as each statement made herein is subject to verification. Applicant must initial each page, as provided in lower right hand corner. By placing his initials on each page, the applicant is attesting to the accuracy and completeness of the information contained on that page.

All applicants are advised that this personal history record is an official document and misrepresentation or failure to reveal information requested may be deemed to be sufficient cause for the refusal or revocation of a license.

All applicants are further advised that an application for a license, finding of suitability or for other action may not be withdrawn without the permission of the licensing agency.

Application for dispensing of home sleep test and sale of cpap machine

HST, LLC 9017 S. Pecos Rd. #4500, Henderson, NV 89074  
Nature of License  
Name and Address of Establishment for Which License Is Requested

HST, LLC  
If applicable, Name Under Which It Is Now Operated

### 1. PERSONAL INFORMATION:

Molfetta Christina —  
Last Name First Name Middle Name

maiden name - Olivera  
Alias(es, Nicknames, Maiden Name, Other Name Changes, Legal or Otherwise)

2246 Driftwood Tide Ave, Henderson, NV 89052  
Present Residence Address-Street or RFD City State/Zip

9017 S. Pecos Rd. #3700 Henderson, NV 89074  
Present Business Address City State/Zip

Owner 9/01 - 6/08 & 9/13 - Present  
Occupation Dates

Phone:  
Residence  
Business 702-896-7878

— Detroit, MI  
Date of Birth Place of Birth (City, County, State)

45 F  
Age Sex

Brown Brown Olive 164 n/a 5'5"  
Color of Eyes Color of Hair Complexion Weight Build Height

Scars, tattoos or distinguishing marks and/or characteristics None

Are you a citizen of the United States? Yes ☒ No ☐ If alien, registration No. \_\_\_\_\_

If naturalized, certificate No. \_\_\_\_\_ Date \_\_\_\_\_

Place \_\_\_\_\_ (If naturalized, document must be verified.)

### 2. MARITAL INFORMATION:

Single ☐ Married ☒ Separated ☐ Divorced ☐ Widowed ☐ Engaged ☐

Applicant's initial C.M.  
Page 1

MARITAL INFORMATION-Continued

A. **Current Marriage** ..... St. Lucia Island  
 Spouse's full name (Maiden) <sup>Date</sup> Eric Molfetta <sup>City, County and State</sup> S.S. No.  
 Date of Birth ..... - Place of Birth Bronx, NY  
 Resident address 2246 Dristwood Tide Ave, Henderson, NV 89050  
 Telephone: Residence ..... 702 296-4848 Business .....  
 Spouse's employer Colliers Intl Occupation Commercial Broker  
 Address of employer 3960 Howard Hughes #150, Las Vegas, NV 89169  
 Street City State Zip

B. **Previous Marriages:** If ever legally separated, divorced, or annulled, indicate below:

Name of Spouse	Date of Order or Decree	Date of Place of Marriage	Nature of Action	City County and State
----------------	-------------------------	---------------------------	------------------	-----------------------

N/A

List of names, current address and telephone numbers of previous spouses:

Name	Street	City	State	Zip	Telephone
------	--------	------	-------	-----	-----------

N/A

3. **FAMILY INFORMATION:**

A. **Children and Dependents:**

List all children, including step-children and adopted children and give the following information:

Name	Birth Date	Birth Place	Residence Address
------	------------	-------------	-------------------

B. **Child Support Information:**

Please mark the appropriate response:

☒ I am not subject to a court order for the support of child.

☐ I am subject to a court order for the support of one or more children and am in compliance with a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order; or

☐ I am subject to a court order for the support of one or more children and NOT in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order.

Applicant's initial C.M.

**FAMILY INFORMATION-Continued**

District attorney or public agency responsible for enforcing the child support order:

Name.....

Address.....

Contact person.....

**C. Parents:**

List names, residence addresses, dates of birth and most recent occupations of parents, step-parents, parents-

in-law or legal guardian. If retired or deceased, list last address and occupation.

Name (Maiden)	Birth Date	Address	Occupation
---------------	------------	---------	------------

Father

Frank Olivera

303 E. Washington St.  
Bensenville, IL 60106 Retired

Mother

Nereida Olivera

501 E. Jefferson  
Bensenville, IL 60106 Retired

Father-in-Law

John Molfetta

1767 Sebring Hills  
Henderson, NO 89050 Retired

Mother-in-Law

Beu Molfetta

1767 Sebring Hills  
Henderson, NO 89052 Retired**D. Brothers and Sisters:**

List names, residence addresses, dates of birth and most recent occupations of brothers and sisters and of their respective spouses.

Name (Maiden)	Birth Date	Address	Occupation
---------------	------------	---------	------------

Denise Larsen

1208 Ash  
Bensenville, IL 60106 United Airlines

Spouse

Gary Larsen

1208 Ash  
Bensenville, IL 60106 unemployed

Frank Olivera

1030 Urew Pointe Dr.  
Lake in the hills, IL 60156 Unemployed

Spouse

none

n/a n/a

Mike Olivera

1 Julie Ct  
Elgin, IL 60120 Olivea designs

Spouse

Riukan Olivera

1 Julie Ct  
Elgin, IL 60120 Separated

Spouse

**4. EDUCATION:**

Name of School	Location	Dates Attended	Graduate
----------------	----------	----------------	----------

Grammar

School

Blackhawk Jr High

Bensenville, IL

1982-1983

Yes ☒ No ☐

High

School

Fenton High School

Bensenville, IL

1984-1987

Yes ☒ No ☐

College

University

n/a

Yes ☐ No ☐

Other

Yes ☐ No ☐

Type of degree obtained, if any..... n/a

College or university where obtained..... n/a

Applicant's initial..... C.M.

**5 MILITARY INFORMATION:**

A. Have you ever served in any armed forces?

Yes ☐ No ☒

Branch \_\_\_\_\_ Date of entry-active service \_\_\_\_\_

Date of separation \_\_\_\_\_ Type of discharge \_\_\_\_\_

Rating at separation \_\_\_\_\_ Serial number \_\_\_\_\_

While in the military service were you ever arrested for an offense which resulted in summary action, a trial or special or general court martial? Yes ☐ No ☐ If yes, furnish details on page 10. (List all incidents regardless of where they occurred-foreign or domestic.)

B. Have you registered for the draft?

Yes ☐ No ☒

County \_\_\_\_\_ State \_\_\_\_\_ Date registered \_\_\_\_\_

**6. ARRESTS, DETENTIONS, LITIGATIONS AND ARBITRATIONS: (Include those arrests in which you were not convicted.)**

A. Have you ever been arrested, detained, charged, indicted or summoned to answer for any criminal offense or violation for any reason whatsoever, regardless of the disposition of the event? (Except minor traffic citations.) Yes ☐ No ☒ If yes, give details in space provided below. List all cases without exception.

Date of Arrest	Age	Charge	Location-City and State	Deposition/Date	Arresting Agency

B. Has a criminal indictment, information or complaint ever been returned against you, but for which you were not arrested or in which you were named as an unindicted co-party? Yes ☐ No ☒ If yes, furnish details on page 10.

C. Have you ever been questioned or deposed by a city, state, federal or law enforcement agency, commission or committee? Yes ☐ No ☒

D. Have you ever been subpoenaed to appear or testify before a federal, state or county grand jury, board or commission? Yes ☐ No ☒

E. Have you ever been subpoenaed to testify for any civil, criminal or administrative proceeding or hearing? Yes ☐ No ☒

F. Have you ever had a civil or criminal record expunged or sealed by a court order? Yes ☐ No ☒ If yes, when? \_\_\_\_\_ city, county and state \_\_\_\_\_

G. Have you ever received a pardon or deferred prosecution for any criminal offense? Yes ☐ No ☒ If yes when? \_\_\_\_\_ city, county and state \_\_\_\_\_

H. Has any member of your family or of your spouse's family ever been convicted of a felony? Yes ☐ No ☒ If you answer to any of the above questions (B through H) is yes, furnish details on page 10.

Name	Relationship	Charge	Location	Date

Applicant's initial C.M.

# ARRESTS, DETENTIONS, LITIGATIONS AND ARBITRATIONS-Continued

- I. Have you, as an individual, member of a partnership, or owner, director or officer of a corporation, ever been a part to a lawsuit as either a plaintiff or defendant or an arbitration as either a claimant or respondent?  
 Yes ☒ No ☐ (Other than divorces)  
 If yes, give details below. List all cases without exception, including bankruptcies:

Plaintiff/Defendant or Claimant/Respondent	Date Filed	Court and Case Number	City, County and State	Disposition/Date

- J. Has any general partnership, business venture, sole proprietorship or closely held corporation (while you were associated with it as an owner, officer, director or partner) been a party to a lawsuit, arbitration or bankruptcy?  
 Yes ☒ No ☐ If yes, complete the following:

Name of Entity	Type of Entity	Approximate Date(s) of Lawsuit/Arbitration/Bankruptcy
Nocturna	Sleep center	10-4-05

## 7. RESIDENCES:

List all residences you have had for the last 25 years:

Month and Year (From-To)	Street and Number	City	State or County
11/05 - Present	2246 Driftwood Tide	Henderson, NV	89074 Clark
11/99 - 11/05	2358 Brockton Way,	Henderson, NV	89074 Clark
11/95 - 11/99	Irvine,	California	CA, Orange
1/84 - 11/95	501 E. Jefferson,	Bensenville, IL	60006 DuPage

Applicant's initial C.M.  
 Page 5

## 8. EMPLOYMENT:

Beginning with your current employment, list your work history, all businesses with which you have been involved, and/or all periods of unemployment since 18 years of age. Also, list all corporations, partnerships or any other business ventures with which you have been associated as an officer, director, stockholder or related capacity.

2001 - Present

Month and Year	Name/Mailing Address of Employer/Business	Reason for Leaving
2001 - Present	Nocturna Sleep Centers 9077 S. Pecos Rd. #3700, Henderson, NV 89074	
Title	Description of Duties	Name of Supervisor
Owner	Perform in lab diagnostic studies	me!

Month and Year	Name/Mailing Address of Employer/Business	Reason for Leaving
2012 - 2013	Monnalisa Green Valley Pkwy Henderson, NV 89052	closed business
Title	Description of Duties	Name of Supervisor
Owner	kids clothing store	me!

Month and Year	Name/Mailing Address of Employer/Business	Reason for Leaving
2010 - 2013	Arch Pedispa Eastern Ave Henderson, NV 89052	closed business
Title	Description of Duties	Name of Supervisor
Owner	nail Salon	me!

Month and Year	Name/Mailing Address of Employer/Business	Reason for Leaving
2000	American Home Patient WIND	opened new company
Title	Description of Duties	Name of Supervisor
Salesrep	Sell home O2 and CPAP Equip	Holly Orsulak

Month and Year	Name/Mailing Address of Employer/Business	Reason for Leaving
1995 - 1999	Aprin Healthcare Costa Mesa, CA	too much Travelling
Title	Description of Duties	Name of Supervisor
Efficiency Expert	operations for DME company	Tony Dominico

Month and Year	Name/Mailing Address of Employer/Business	Reason for Leaving
1997 - 1999	Abbey Home Health	Corp Merger
Title	Description of Duties	Name of Supervisor
Admin Asst	Secretarial	Monny

Month and Year	Name/Mailing Address of Employer/Business	Reason for Leaving
1990 - 1997	VOPI/Allred Signal	Better pay
Title	Description of Duties	Name of Supervisor
Graphics	Graphics Dept	Debra

Month and Year	Name/Mailing Address of Employer/Business	Reason for Leaving
Title	Description of Duties	Name of Supervisor

If additional space is needed, continue on page 10 or provide attachment.

Applicant's initial C.M.

## 9. CHARACTER REFERENCES:

List five character reference who have know you five years or more. Do not include relatives, present employer or employees.

Name of Where Employed	Street	City	State	Zip	Telephone	Years Known
Name	Tara Knightly	Home	5355 Arlington Hts Rd.	Arlington, Hts	60005	35
Employer	The Ruma Place	Business	40 E. Rand Rd	Arlington Hts		
Name	Tracie Markens	Home	2600 W. John Dr.	Park City, UT	84060	35
Employer	Self	Business	N/A			
Name	Lara Tucker	Home	13310 Inwood Dr	Woburn, MA	01801	25
Employer	Aprion	Business	N/A			
Name	Jacquie Alger	Home	N/A military back	Just moved to Vegas		20
Employer	Self	Business	N/A			
Name	Etela Berry	Home	10505 Catalba Ave.	Las Vegas, NV	89117	10
Employer	Self	Business				

10. Do you have any safe deposit box or other such depository, access to any depository or do you use any other person's depository? Yes ☐ No ☒ If yes, complete the following:

Box Number or Type of Depository	Location	City and State	Authorized Users

11. Have you ever held a privileged, occupational or professional license in any state, including but not limited to the following:

Liquor	Lawyer	Race horse/race dog owner	Securities dealer	Insurance
Doctor	Contractor	Real estate broker or salesman	Barber/Cosmetologist	Gaming
Accountant	Pilot	Sports promoter	Trainer or manager	Educator

Yes ☒ No ☐  
If yes, state type, where and years held

Manicurist, Henderson NV, 2010 - 2013

12. Have you ever applied for a city, county of state business, venture or industry license or held a financial interest in a licensed business or industry OUTSIDE the State of Nevada? Yes ☐ No ☒  
If yes, state type, when and where and give names and locations of the businesses in which you were involved, the names and address of all partners and the agency responsible for licensing said business, venture or industry.

Applicant's initial C.M.  
Page 7

13. Have you ever appeared before any licensing agency or similar authority in or outside the State of Nevada for any reason whatsoever? Yes ☐ No ☒

14. Have you ever been denied a personal license, permit, certificate or registration for a privileged, occupational or professional activity? Yes ☐ No ☒

If yes to the above, state where, when and for what reason:

15. Have you ever been refused a business or industry license or related finding of suitability or been a participant in any group which has been denied a business or industry license or related finding of suitability? Yes ☐ No ☒

16. Have you or any person with whom you have been a participant in any group been the subject of an administrative action or proceeding relating to the pharmaceutical industry? Yes ☐ No ☒

17. Have you or any person with whom you have been a participant in any group ever been found guilty, plead guilty or entered a plea of nolo contendere to any offense, federal or state, related to prescription drugs and/or controlled substances? Yes ☐ No ☒

18. Have you or any person with whom you have been a participant in any group ever surrendered a license, permit or certificate of registration relating to the pharmaceutical industry voluntarily or otherwise (other than upon voluntary close of a manufacturer) Yes ☐ No ☒

19. Do you have any relatives within the fourth degree of consanguinity associated with or employed in the pharmaceutical or drug related industry? Yes ☐ No ☒



Date of photograph 8-17-15

Applicant's initial C.M.



STATE OF Nevada

SS.

COUNTY OF Clark

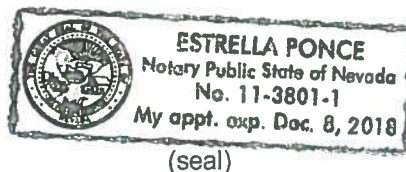
I, Christina Malfetta, being duly sworn, depose and say I have read the foregoing application and know the contents thereof; that the statements contained herein are true and correct and contain a full and true account of the information requested; that I executed this statement with the knowledge that misrepresentation or failure to reveal information requested may be deemed sufficient cause for denial or revocation of a manufacturer license; that I am voluntarily submitting this application with full knowledge that Nevada Revised Statutes 639.210 (10) provides denial or revocation of the application of any person for a certificate, license, registration or permit if the holder or applicant "Has obtained any certificate, certification, license or permit by the filing of an application, or any record, affidavit or other information in support thereof, which is false or fraudulent," and further, that I have familiarized myself with the contents of Nevada Statutes on Pharmacists and Manufacturer and the Controlled Substances Act, as amended, and the Regulations of the Nevada State Board of Manufacturer as promulgated thereunder and agree, if licensed, to abide thereby,

I hereby expressly waive, release and forever discharge the State of Nevada, the licensing agency and their agents from any and all manner of action and causes of action whatsoever which I, my administrators or executors can, shall or may have against the State of Nevada, the licensing agency and their agents, as a result of my applying for a manufacturer license in the State of Nevada.

Christina Malfetta  
Original Signature of Applicant

Subscribed and Sworn to before me this 17<sup>th</sup> day of August 2015

Estrella Ponce  
Notary Public



Applicant's initial C.M.

Blank

# NEVADA STATE BOARD OF PHARMACY

431 W Plumb Lane – Reno, NV 89509 – (775) 850-1440

## APPLICATION FOR NEVADA Medical Device, Equipment & Gases (MDEG)

\$500.00 Fee made payable to: Nevada State Board of Pharmacy

(non-refundable and not transferable money order or cashier's check only)

Application must be printed legibly or typed

Any misrepresentation in the answer to any question on this application is grounds for refusal or denial of the application or subsequent revocation of the license issued and is a violation of the laws of the State of Nevada.

☐ New MDEG    ☒ Ownership Change    ☐ Name Change    ☐ Location Change  
(Please provide current license number if making changes: MP or MW MP 00468)

☐ Publicly Traded Corporation – Pages 1,2,3,4    ☐ Partnership - Pages 1,2,3,6  
☐ Non Publicly Traded Corporation – Pages 1,2,3,5a,5b    ☒ Sole Owner – Pages 1,2,3,7  
Please check box for type of ownership and complete correct part of the application.

### GENERAL INFORMATION to be completed by all types of ownership

MDEG Name: PAHRUMP MEDICAL SUPPLY, INC.

Physical Address: 1971 S. PAHRUMP VALLEY BLVD # D / PAHRUMP, NV 89048  
(This must be a business address, we can not issue a license to a home address)

Mailing Address: 1971 S. PAHRUMP VALLEY BLVD # D

City: PAHRUMP State: NV Zip Code: 89048

Telephone: 775-751-4999 Fax: 775-751-4997

E-mail: PAHRUMPMS@GMAIL.COM Website: PAHRUMPMEDICALSUPPLY.COM

### DAYS AND HOURS THAT THE FACILITY WILL BE REGULARLY OPERATING

Mon: 9:00 to 5:00 Tue: 9:00 to 5:00 Wed: 9:00 to 5:00 Thu: 9:00 to 5:00

Fri: 9:00 to 5:00 Sat: BY APPT. Sun: BY APPT. Holidays: Closed

### MDEG ADMINISTRATOR INFORMATION (MDEG administrator application required)

Name: PAMELA K LEWIS

### TYPE OF MDEG PRODUCTS THAT WILL BE SOLD (CHECK ALL APPLICABLE)

☒ Medical Gases\*\*  
☒ Respiratory Equipment\*\*  
☐ Life-sustaining equipment\*\*  
☒ Diabetic Supplies

☒ Assistive Equipment  
☐ Parenteral and Enteral Equipment\*\*  
☒ Orthotics and Prosthesis

Other: INCONTINENCE SUPPLIES, UROLOGICAL

\*\*If providing these types of services you are required to have in place a mechanism to ensure continued care in the event of an emergency. Provide name and telephone number of Nevada contact. Name: PAMELA K LEWIS Telephone: 775-751-4999

## APPLICATION FOR NEVADA MDEG LICENSE

This page must be submitted for all types of ownership.

List all Medicare and Medicaid provider numbers registered to the business or its owner:

MEDICARE	6269750001	
MEDICAID	100515701	

- 1) Do any shareholders hold an interest ownership or have management in any type of business or facility which are licensed by the State of Nevada or another political jurisdiction? Yes ☐ No ☒
- 2) Are you or have you in the last year been associated with any person, business or health care entity in which MDEG products were sold, dispensed or distributed? Yes ☐ No ☒
- 3) Are any of the owners health professionals? If yes, please check the box and list name.
- |   |             |
|---|-------------|
| <input type="checkbox"/> Practitioner                     | Name: _____ |
| <input type="checkbox"/> Advanced Practitioner of Nursing | Name: _____ |
| <input type="checkbox"/> Physician's Assistant            | Name: _____ |
| <input type="checkbox"/> Physical Therapist               | Name: _____ |
| <input type="checkbox"/> Occupational Therapist           | Name: _____ |
| <input type="checkbox"/> Registered Nurse                 | Name: _____ |
| <input type="checkbox"/> Respiratory Therapist            | Name: _____ |

Practicing licensed health care professionals cannot obtain a license per NAC 639.6943.

## APPLICATION FOR NEVADA MDEG LICENSE

This page must be submitted for all types of ownership.

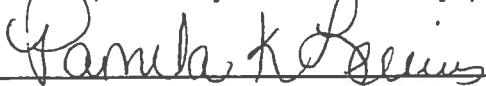
Within the last five (5) years:

- 1) Has the corporation, any owner, shareholder(s) or partner(s) with any interest, ever been charged, or convicted of a felony or gross misdemeanor (including by way of a guilty plea or no contest plea)? Yes ☐ No ☒
- 2) Has the corporation, any owner(s), shareholder(s) or partner(s) with any interest, ever been denied a license, permit or certificate of registration? Yes ☐ No ☒
- 3) Has the corporation, any owner(s), shareholder(s) or partner(s) with any interest, ever been the subject of an administrative action or proceeding relating to the pharmaceutical industry? Yes ☐ No ☒
- 4) Has the corporation, any owner(s), shareholder(s) or partner(s) with any interest, ever been found guilty, pled guilty or entered a plea of nolo contendere to any offense federal or state, related to controlled substances? Yes ☐ No ☒
- 5) Has the corporation, any owner(s), shareholder(s) or partner(s) with any interest, ever surrendered a license, permit or certificate of registration voluntarily or otherwise (other than upon voluntary close of a facility)? Yes ☐ No ☒

If the answer to questions 1 through 5 is "yes", a signed statement of explanation must be attached. Copies of any documents that identify the circumstance or contain an order, agreement, or other disposition may be required.

I hereby certify that the answers given in this application and attached documentation are true and correct. I understand that any infraction of the laws of the State of Nevada regulating the operation of an authorized MDEG provider or wholesaler may be grounds for the revocation of this permit.

I have read all questions, answers and statements and know the contents thereof. I hereby certify, under penalty of perjury, that the information furnished on this application are true, accurate and correct. I hereby authorize the Nevada State Board of Pharmacy, its agents, servants and employees, to conduct any investigation(s) of the business, professional, social and moral background, qualification and reputation, as it may deem necessary, proper or desirable.



Original Signature of Person Authorized to Submit Application, no copies or stamps

PAMELA K LEWIS

Print Name of Authorized Person

11-4-15

Date

Board Use Only

Received: \_\_\_\_\_

Amount: \$500.00

## APPLICATION FOR NEVADA MDEG LICENSE

**OWNERSHIP IS A SOLE OWNER.** All information relates to the person listed as the owner.

Owner's Name: PAMELA K LEWIS

Business Name: PAHRUMP MEDICAL Supply, INC.

Current Business Address: 1971 S. PAHRUMP VALLEY BLVD #D

City: PAHRUMP State: NV Zip: 89048

Telephone: 775-751-4999 Fax: 775-751-4997

### SOLE OWNER

#### **Include with the application for a sole owner**

Complete personal history record Must be original signature(s), no copies or stamps. Download the form from the website. Download the form from the website under the "New Applications" tab. The forms are available under the *documents for all types of businesses*.

## APPLICATION TO BE THE MDEG ADMINISTRATOR

Person who runs the facility on a daily basis

☞ Date 11-4-15

Each MDEG shall employ an administrator at all times. The administrator must be:

1. A natural person.
2. Have a high school diploma or its equivalent.
3. Have: a) At least 1500 hours of verifiable work experience relating to the products provided be the medical products provider or medical products wholesaler or b) An associate's degree or higher degree from an accredited college or university in a field of study that is directly related to patient health care.
4. Be employed be the medical products provider or medical products wholesaler at the place of business or facility of the employer at least 40 hours per week or during all regular business hours if the business or facility is regularly open less than 40 hours per week and
5. Be approved by the board.
6. The administrator shall ensure that that the operation of the business or facility complies with all applicable federal, state and local laws, regulations and rules.

A medical products provider or medical products wholesaler shall notify the staff of the Board of the cessation of employment of an administrator within 3 business days after the cessation of the employment. A medical products provider or medical products wholesaler shall notify the staff of the Board of the employment of a new administrator within 3 business dates after the beginning of the employment.

A medical products provider or medical products wholesaler may not operate for more than 10 business days without an administrator. The Board may summarily suspend the operation of a business or facility that operates without an administrator.

### GENERAL INSTRUCTIONS

Type or print an answer to every question. If a question does not apply to you, so state with N/A. If space available is insufficient, use a separate sheet and precede each answer with the appropriate title. Do not misstate or omit any material fact(s) as each statement made hererin is subject to verification. Applicant must initial each page, as provided in lower right hand corner.

All applicants are advised that this application to be a MDEG administrator is an official document and misrepresentation or failure to reveal information requested may be deemed to be sufficient cause for the refusal or revocation of a license.

All applicants are further advised that an application for a license, finding of suitability or for other action may not be withdrawn without the permission of the licensing agency.

Application for DME , OXYGEN

Nature of MDEG

PAHRUMP MEDICAL SUPPLY, 1971 S. PAHRUMP VALLEY BLVD #D, PAHRUMP, NV 89048

Name and Address of Business for Which MDEG Administrator Is Requested

SAME AS ABOVE

If applicable, Name Under Which It Is Now Operated

### 1. PERSONAL INFORMATION:

CLARK  
Last Name

RUTH  
First Name

Ellen  
Middle Name

Rowe, Waldron, Heldman  
Alias(es, Nicknames, Maiden Name, Other Name Changes, Legal or Otherwise)

671 W. Kimberly Pahump NV 89060  
Present Residence Address-Street or RFD City State/Zip

1971 S. PAHRUMP VALLEY #D Dates 6/16/14-Present PAHRUMP NV, 89048  
Present Business Address City State/Zip

FACILITY  
MANAGER Dates 6/16/14 - Present

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

Email address: PAHRUMPMS@GMAIL.COM

Date of Birth \_\_\_\_\_ Place of Birth (City, County, State) Montrose, San Juan, Colorado

59 Age Social Security Number Sex F

Blue      Brown      200      5' 4"  
Color of Eyes      Color of Hair      Weight      Height

Scars, tattoos or distinguishing marks and/or characteristics N/A

Are you a citizen of the United States? Yes ☒ No ☐

If alien, registration No \_\_\_\_\_

If naturalized, certificate No \_\_\_\_\_ Date \_\_\_\_\_

Place \_\_\_\_\_ (If naturalized, document must be verified.)



## EMPLOYMENT:

A MDEG administrator must document that he or she has been employed for at least 1500 hours of verifiable work experience relating to the products provided by the medical products provider or medical products wholesaler. Please provide the following information to document your hours of employment.

Present 6/16/14-	PAHRUMP MEDICAL Supply	2000 HOURS
Month and Year	Name/ Address of Employer/Business	No of Employed Hours
Facility MANAGER	Billing, sales, Filling	ARTUR KHIACHATIRYAN
Title	Description of Duties	Name of Supervisor
2010-2013	Family Pharmacy	more than 3000
Month and Year	Name/ Address of Employer/Business	No of Employed Hours
DME manager	Customer Service, Billing ordering	Ali
Title	Description of Duties	Name of Supervisor
	Dahrump Valley Blvd Dahrump NV 89048	
1999-2007	Option Care	more than 3000
Month and Year	Name/ Address of Employer/Business	No of Employed Hours
Customer Service Clerk	Customer Service	Susan Beatty
Title	Description of Duties	Name of Supervisor

Month and Year	Name/ Address of Employer/Business	No of Employed Hours
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Title	Description of Duties	Name of Supervisor
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Month and Year	Name/ Address of Employer/Business	No of Employed Hours
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Title	Description of Duties	Name of Supervisor
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Month and Year	Name/ Address of Employer/Business	No of Employed Hours
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Title	Description of Duties	Name of Supervisor
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I have ☐ I have not ☒ been diagnosed or treated in the last five years for a mental illness or a physical condition that would impair my ability to perform any of the essential functions of my license, including alcohol or substance abuse,

1. I have ☐ I have not ☒ been charged, arrested or convicted of a felony or misdemeanor.
2. I have ☐ I have not ☒ been the subject of an administrative action whether completed or pending.
3. I have ☐ I have not ☒ had a license suspended, revoked, surrendered or otherwise disciplined, including any action against a professional license that was not made public.

If you checked "I have" to questions 1, 2 and/or 3, please include the following information and provide a written explanation and/or documents.

a) Board Administrative Action: State: \_\_\_\_\_  
b) \_\_\_\_\_

Date: \_\_\_\_\_

Case Number: \_\_\_\_\_

c) Criminal Action: State: \_\_\_\_\_

Date: \_\_\_\_\_

Case Number: \_\_\_\_\_

County: \_\_\_\_\_

Court: \_\_\_\_\_

4 . Will you be actively involved in and aware of the daily operation of the MDEG? Yes ☒ No ☐

5 .Will you be employed fulltime with the MDEG? Yes ☒ No ☐

6 .Will you be present at the site of the MDEG during its normal operating hours? Yes ☒ No ☐

If you answer No to questions 4, 5 or 6 please provide a written

.....  
.....  
.....  
.....  
.....

A



Date of photograph 11-6-15

I, Ruth CLARK, being duly sworn, depose and say I have read the foregoing application and know the contents thereof; that the statements contained herein are true and correct and contain a full and true account of the information requested; that I executed this statement with the knowledge that misrepresentation or failure to reveal information requested may be deemed sufficient case for denial or revocation of a MDEG license; that I am voluntarily submitting this application with full knowledge that Nevada Revised Statutes 639.210 (10) provides denial or revocation of the application of any person for a certificate, license, registration or permit if the holder or applicant "Has obtained any certificate, certification, license or permit by the filing of an application, or any record, affidavit or other information in support thereof, which is false or fraudulent," and further, that I have familiarized myself with the contents of Nevada Revised Statutes and Regulations.

I hereby expressly waive, release and forever discharge the State of Nevada, the licensing agency and its agents from any and all manner of action and causes of action whatsoever which I, my administrators or executors can, shall or may have against the State of Nevada, the licensing agency and its agents, as a result of my applying to be a designated representative for a pharmacy or MDEG in the State of Nevada.

  
Original Signature of Applicant

# PERSONAL HISTORY RECORD for Pharmacy, MDEG & Wholesaler

Date 11-4-15

## GENERAL INSTRUCTIONS

Type an answer to every question. If a question does not apply to you, so state with N/A. If space available is insufficient, continue on page 10 or use a separate sheet and precede each answer with the appropriate title. Do not misstate or omit any material fact(s) as each statement made hererin is subject to verification. Applicant must initial each page, as provided in lower right hand corner. By placing his initials on each page, the applicant is attesting to the accuracy and completeness of the information contained on that page.

All applicants are advised that this personal history record is an official document and misrepresentation or failure to reveal information requested may be deemed to be sufficient cause for the refusal or revocation of a license.

All applicants are further advised that an application for a license, finding of suitability or for other action may not be withdrawn without the permission of the licensing agency.

Application for DURABLE MEDICAL EQUIPMENT  
PAHRUMP MEDICAL SUPPLY, INC. 19715 PAHRUMP VALLEY BLVD #D PAHRUMP, NV 89048  
SAME as ABOVE  
 If applicable, Name Under Which It Is Now Operated

### 1. PERSONAL INFORMATION:

LEWIS PAMELA KAY  
 Last Name First Name Middle Name

Alias(es, Nicknames, Maiden Name, Other Name Changes, Legal or Otherwise)

5251 GRAIN MILL RD PAHRUMP, NV 89061  
 Present Residence Address-Street or RFD City State/Zip

Volunteer 6/1/15 - pre  
 Present Business Address Dates City State/Zip

AUSTIN TX TRAVIS CO.  
 Occupation Dates Phone: Residence Business

56 GRN GRAY LIGHT 230 LRG 5'7"  
 Date of Birth Color of Eyes Color of Hair Complexion Weight Build Height

Scars, tattoos or distinguishing marks and/or characteristics N/A

Are you a citizen of the United States? Yes ☒ No ☐ If alien, registration No

If naturalized, certificate No Date

Place (If naturalized, document must be verified.)

### 2. MARITAL INFORMATION:

Single ☐ Married ☒ Separated ☐ Divorced ☐ Widowed ☐ Engaged ☐

Applicant's initial PL

MARITAL INFORMATION-Continued

A. **Current Marriage** 1979 Harris Co. TX  
 Spouse's full name (Maiden) Michael W. Lewis City, County and State  
 Date of Birth                      Place of Birth Pasadena, TX  
 Resident address 5251 Grain Mill Rd Fairview, NV 89061  
 Telephone: Residence                      Business 775 751 4999  
 Spouse's employer OMV Oil & Gas Occupation Superintendent  
 Address of employer Vienna, Austria City State Zip

B. **Previous Marriages:** If ever legally separated, divorced, or annulled, indicate below:

Name of Spouse	Date of Order or Decree	Date of Place of Marriage	Nature of Action	City County and State
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N/A

List of names, current address and telephone numbers of previous spouses:

Name	Street	City	State	Zip	Telephone
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N/A

3. **FAMILY INFORMATION:**

A. **Children and Dependents:**

List all children, including step-children and adopted children and give the following information:

Re

1

B. **Child Support Information:**

Please mark the appropriate response:

- ☒ I am not subject to a court order for the support of child.
- ☐ I am subject to a court order for the support of one or more children and am in compliance with a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order; or
- ☐ I am subject to a court order for the support of one or more children and NOT in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order.

Applicant's initial ph

**FAMILY INFORMATION-Continued**

District attorney or public agency responsible for enforcing the child support order:

Name .....

Address .....

Contact person .....

**C. Parents:**

List names, residence addresses, dates of birth and most recent occupations of parents, step-parents, parents-

in-law or legal guardian. If retired or deceased, list last address and occupation.

Name (Maiden)	Birth Date	Address	Occupation
---------------	------------	---------	------------

Father

John Anderson Beaver		806 Arkansas So. Ht. TX 77587	Retired
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Mother

Sylvia Doretha Beaver		806 Arkansas So. Ht. TX 77587	Retired
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Father-in-Law

Deceased

Mother-in-Law

Deceased

**D. Brothers and Sisters:**

List names, residence addresses, dates of birth and most recent occupations of brothers and sisters and of their respective spouses.

Name (Maiden)	Birth Date	Address	Occupation
---------------	------------	---------	------------

Timmy Raventini		11315 Saguwood Ht TX 77089	Underwriter
Donald Raventini		11315 Saguwood Ht TX 77089	Disabled
Cindy Landis		2201 Lily Glen Ct League City TX	Dental Office Manager
Joseph Landis		2201 Lily Glen Ct 77573	Superintendent
John Beaver		3404 N. Sandridge Hobbs NM 88240	Superintendent
Jessika Beaver		3404 N. Sandridge Hobbs NM 88240	Counselor

Spouse

**4. EDUCATION:**

Name of School	Location	Dates Attended	Graduate
Grammar School	So. Ho. Elem.		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
High School	South Houston High School		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
College University	San Jacinto College	Beamer Rd	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Other	San Jacinto College	Beamer Rd	Yes <input type="checkbox"/> No <input type="checkbox"/>

Type of degree obtained, if any: Assoc.

College or university where obtained: San Jacinto College Houston, TX 77089

Applicant's initial

JL

## 5 MILITARY INFORMATION:

A. Have you ever served in any armed forces?

Yes ☐ No ☒

Branch \_\_\_\_\_ Date of entry-active service \_\_\_\_\_

Date of separation \_\_\_\_\_ Type of discharge \_\_\_\_\_

Rating at separation \_\_\_\_\_ Serial number \_\_\_\_\_

While in the military service were you ever arrested for an offense which resulted in summary action, a trial or special or general court martial? Yes ☐ No ☐ If yes, furnish details on page 10. (List all incidents regardless of where they occurred-foreign or domestic.)

B. Have you registered for the draft?

Yes ☐ No ☒

County \_\_\_\_\_ State \_\_\_\_\_ Date registered \_\_\_\_\_

## 6. ARRESTS, DETENTIONS, LITIGATIONS AND ARBITRATIONS: (Include those arrests in which you were not convicted.)

A. Have you ever been arrested, detained, charged, indicted or summoned to answer for any criminal offense or violation for any reason whatsoever, regardless of the disposition of the event? (Except minor traffic citations.)

Yes ☐ No ☒ If yes, give details in space provided below. List all cases without exception.

Date of Arrest	Age	Charge	Location-City and State	Deposition/Date	Arresting Agency

B. Has a criminal indictment, information or complaint ever been returned against you, but for which you were not arrested or in which you were named as an unindicted co-party? Yes ☐ No ☒ If yes, furnish details on page 10.

C. Have you ever been questioned or deposed by a city, state, federal or law enforcement agency, commission or committee? Yes ☐ No ☒

D. Have you ever been subpoenaed to appear or testify before a federal, state or county grand jury, board or commission? Yes ☐ No ☒

E. Have you ever been subpoenaed to testify for any civil, criminal or administrative proceeding or hearing? Yes ☐ No ☒

F. Have you ever had a civil or criminal record expunged or sealed by a court order? Yes ☐ No ☒ If yes, when? \_\_\_\_\_ city, county and state \_\_\_\_\_

G. Have you ever received a pardon or deferred prosecution for any criminal offense? Yes ☐ No ☒ If yes when? \_\_\_\_\_ city, county and state \_\_\_\_\_

H. Has any member of your family or of your spouse's family ever been convicted of a felony? Yes ☐ No ☒ If you answer to any of the above questions (B through H) is yes, furnish details on page 10.

Name	Relationship	Charge	Location	Date

Applicant's initial \_\_\_\_\_

# ARRESTS, DETENTIONS, LITIGATIONS AND ARBITRATIONS-Continued

- I. Have you, as an individual, member of a partnership, or owner, director or officer of a corporation, ever been a part to a lawsuit as either a plaintiff or defendant or an arbitration as either a claimant or respondent?  
 Yes ☐ No ☒ (Other than divorces)  
 If yes, give details below. List all cases without exception, including bankruptcies:

Plaintiff/Defendant or Claimant/Respondent	Date Filed	Court and Case Number	City, County and State	Disposition/Date

- J. Has any general partnership, business venture, sole proprietorship or closely held corporation (while you were associated with it as an owner, officer, director or partner) been a party to a lawsuit, arbitration or bankruptcy?  
 Yes ☐ No ☒ If yes, complete the following:

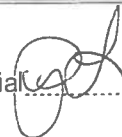
Name of Entity	Type of Entity	Approximate Date(s) of Lawsuit/Arbitration/Bankruptcy

## 7. RESIDENCES:

List all residences you have had for the last 25 years:

Month and Year (From-To)	Street and Number	City	State or County
2004-2009	17504 Ponderosa Pines Dr.	Houston, TX	Harris Co.
2002-2004	301 Lazy Hollow	League City, TX	Galveston Co.
	Lived Abroad	Tunis	Tunisia

Applicant's initial





## 8. EMPLOYMENT:

Beginning with your current employment, list your work history, all businesses with which you have been involved, and/or all periods of unemployment since 18 years of age. Also, list all corporations, partnerships or any other business ventures with which you have been associated as an officer, director, stockholder or related capacity.

Month and Year	Name/Mailing Address of Employer/Business	Reason for Leaving
6/1/15 - Present	1971 S. PAHRUMP VALLEY BLVD #D PAHRUMP, NV 89048	Still with Company
Title	Description of Duties	Name of Supervisor
VOLUNTEER	Customer Service, Submitting Billing, Sales	ARTUR Khachatryan

Month and Year	Name/Mailing Address of Employer/Business	Reason for Leaving
1999-2005	13310 BEAMER RD HUSTON TX 77089	HUSBAND WORKING Abroad
Title	Description of Duties	Name of Supervisor
Insurance VERIFIER	Scheduling, Insurance Verification	DORI MEADOR

Month and Year	Name/Mailing Address of Employer/Business	Reason for Leaving
Title	Description of Duties	Name of Supervisor

Month and Year	Name/Mailing Address of Employer/Business	Reason for Leaving
Title	Description of Duties	Name of Supervisor

Month and Year	Name/Mailing Address of Employer/Business	Reason for Leaving
Title	Description of Duties	Name of Supervisor

Month and Year	Name/Mailing Address of Employer/Business	Reason for Leaving
Title	Description of Duties	Name of Supervisor

Month and Year	Name/Mailing Address of Employer/Business	Reason for Leaving
Title	Description of Duties	Name of Supervisor

Month and Year	Name/Mailing Address of Employer/Business	Reason for Leaving
Title	Description of Duties	Name of Supervisor

Month and Year	Name/Mailing Address of Employer/Business	Reason for Leaving
Title	Description of Duties	Name of Supervisor

If additional space is needed, continue on page 10 or provide attachment.

Applicant's initial P.L.  
Page 6

# 9. CHARACTER REFERENCES:

List five character reference who have know you five years or more. Do not include relatives, present employer or employees.

Name of Where Employed	Street	City	State	Zip	Telephone	Years Known
Name Penny Thompson	Home	401 Oak Lawn	League City	Tx		30+
Employer CCISD	Business	Caterer for school district				
Name Donna Black	Home	811 Romane Dr.	Houston	Tx 77010		5
Employer Self Employed	Business	Embroidery Bus				
Name Mari Elliot	Home	Tx City	Tx			15y
Employer Bay Area Dental	Business	Insurance Verifier				
Name Bernard Laffoon	Home	Shreveport	La			8yrs
Employer Retired	Business					
Name	Home					
Employer	Business					

10. Do you have any safe deposit box or other such depository, access to any depository or do you use any other person's depository? Yes ☐ No ☒
- If yes, complete the following:

Box Number or Type of Depository	Location	City and State	Authorized Users

11. Have you ever held a privileged, occupational or professional license in any state, including but not limited to the following:

Liquor	Lawyer	Race horse/race dog owner	Securities dealer	Insurance
Doctor	Contractor	Real estate broker or salesman	Barber/Cosmetologist	Gaming
Accountant	Pilot	Sports promoter	Trainer or manager	Educator

Yes ☒ No ☐

If yes, state type, where and years held

Liquor - Tx 2 yrs

12. Have you ever applied for a city, county or state business, venture or industry license or held a financial interest in a licensed business or industry OUTSIDE the State of Nevada? Yes ☐ No ☒

If yes, state type, when and where and give names and locations of the businesses in which you were involved, the names and address of all partners and the agency responsible for licensing said business, venture or industry.

Applicant's initial

*[Signature]*

13. Have you ever appeared before any licensing agency or similar authority in or outside the State of Nevada for any reason whatsoever? Yes ☒ No ☐ Liquor

14. Have you ever been denied a personal license, permit, certificate or registration for a privileged, occupational or professional activity? Yes ☐ No ☒

If yes to the above, state where, when and for what reason:

15. Have you ever been refused a business or industry license or related finding of suitability or been a participant in any group which has been denied a business or industry license or related finding of suitability? Yes ☐ No ☒

16. Have you or any person with whom you have been a participant in any group been the subject of an administrative action or proceeding relating to the pharmaceutical industry? Yes ☐ No ☒

17. Have you or any person with whom you have been a participant in any group ever been found guilty, plead guilty or entered a plea of nolo contendere to any offense, federal or state, related to prescription drugs and/or controlled substances? Yes ☐ No ☒

18. Have you or any person with whom you have been a participant in any group ever surrendered a license, permit or certificate of registration relating to the pharmaceutical industry voluntarily or otherwise (other than upon voluntary close of a manufacturer) Yes ☐ No ☒

19. Do you have any relatives within the fourth degree of consanguinity associated with or employed in the pharmaceutical or drug related industry? Yes ☐ No ☒



Date of photograph

11-4-2015  
H-H-2015

Applicant's initial

JD

STATE OF Nevada SS.

COUNTY OF Nye

I, Pamela K Lewis, being duly sworn, depose and say I have read the foregoing application and know the contents thereof; that the statements contained herein are true and correct and contain a full and true account of the information requested; that I executed this statement with the knowledge that misrepresentation or failure to reveal information requested may be deemed sufficient cause for denial or revocation of a manufacturer license; that I am voluntarily submitting this application with full knowledge that Nevada Revised Statutes 639.210 (10) provides denial or revocation of the application of any person for a certificate, license, registration or permit if the holder or applicant "Has obtained any certificate, certification, license or permit by the filing of an application, or any record, affidavit or other information in support thereof, which is false or fraudulent," and further, that I have familiarized myself with the contents of Nevada Statutes on Pharmacists and Manufacturer and the Controlled Substances Act, as amended, and the Regulations of the Nevada State Board of Manufacturer as promulgated thereunder and agree, if licensed, to abide thereby,

I hereby expressly waive, release and forever discharge the State of Nevada, the licensing agency and their agents from any and all manner of action and causes of action whatsoever which I, my administrators or executors can, shall or may have against the State of Nevada, the licensing agency and their agents, as a result of my applying for a manufacturer license in the State of Nevada.

Pamela K Lewis

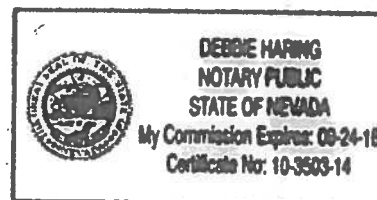
Original Signature of Applicant

Subscribed and Sworn to before me this 24<sup>th</sup> 6<sup>th</sup> day of

November, 2015

Debbie Haring

Notary Public



(seal)

Applicant's initial

PL

November 5, 2015

Kelsey A.H. Maxim, PharmD  
981 Rook Way  
Sparks, NV 89441

Nevada State Board of Pharmacy  
431 W. Plumb Lane  
Reno, NV 89509

Dear Board Members,

I graduated from the University of Utah College of Pharmacy in May 2014 and have been a Nevada registered pharmacist since June 2014. I am currently practicing with Molina Healthcare. Molina Healthcare is a managed care company headquartered in Long Beach, California. For over 35 years, Molina has served members, partnered with providers, supported local communities and worked with state and federal governments. Molina Healthcare's mission is "to provide quality health services to financially vulnerable families and individuals covered by government programs". Molina has several types of health plans, including Medicaid, Medicare, integrated Medicaid/Medicare (Duals) and Marketplace plans. I specifically work within Molina's Medicare division, located in Midvale, Utah, performing medication therapy management services to our Part D members remotely.

I was recently informed that pursuant to NAC 639.403, "a registered pharmacist must apply to the Board to engage in the practice of pharmacy at a site other than the site of a licensed pharmacy by submitting an application on a form prescribed by the Board". I previously did not understand this statute and at this time would like to request not only the permission, but also the support of the Nevada State Board of Pharmacy in order to provide cognitive pharmaceutical services to Molina's Medicare Part D members from a location other than a dispensing pharmacy or healthcare facility.

The activity that I am requesting permission to perform is medication therapy management (MTM) pursuant to 42 C.F.R. § 423.153(d). The Molina Medicare Medication Therapy Management Program (MTMP) is a clinical pharmacy outreach service designed to educate patients and their health care team in order to optimize medication-related health care outcomes, ensure patient safety, recommend cost-effective medication strategies, coordinate care with the member's interdisciplinary care team and comply with Centers for Medicare and Medicaid Services (CMS) guidelines.

According to CMS, section 10328 of the Affordable Care Act amended section 1860D-4(c)(2)(ii) of the Act to "require prescription drug plan sponsors to offer, at a minimum, an annual comprehensive medication review (CMR) that may be furnished person-to-person or via telehealth technologies. A CMR is an interactive, person-to-person or telehealth medication review and consultation of a beneficiary's medications (including prescriptions, over-the-counter (OTC) medications, herbal therapies, and dietary supplements) by a pharmacist or qualified provider that is intended to aid in assessing medication therapy and optimizing patient outcomes. The CMR must include a review of the individual's medications, which may result in

the creation of a recommended medication action plan with a written or printed summary of the results of the review provided to the targeted individual.”

Molina Medicare Part D members can qualify for MTM services by fulfilling the following: three or more chronic diseases (i.e. asthma or COPD, chronic heart failure, diabetes mellitus, dyslipidemia, hypertension or mental health) and have six or more covered Part D chronic/maintenance drugs per month, or projected incurred cost of \$3,016 or more per year in covered Part D drugs as calculated by \$784 or more incurred cost in previous quarter.

Molina’s MTM services include analyzing a member’s medication list to review it for potential patient safety problems, drug interactions, suboptimal medication regimens, etc. We also work with the member to overcome barriers and poor adherence to medication therapy through motivational interviewing techniques, addressing financial concerns, transitioning the member from 30-day to 90-day supplies, providing pill boxes to improve adherence, or getting medications prior-authorized. Pharmacists also provide education to members and their health care providers about their medications, assist in coordination of care for pharmacy-related issues between members, providers and other members of the member’s interdisciplinary care team, and communicate identified suggested interventions to members’ providers.

Providing medication therapy management services is an exciting opportunity for pharmacists. Molina’s MTM program allows pharmacists the ability to act as a liaison between physicians and patients in order to help patients achieve the health results they need. I am excited about this opportunity that has arisen for our profession. I ask that the Board support my request to provide cognitive services from a non-pharmacy location and efforts to advance pharmacy practice through involvement in medication therapy management services.

Sincerely,

Kelsey A.H. Maxim, PharmD

**Application to apply to the Board to engage in the practice of pharmacy at a site other than the site of a licensed pharmacy**

1. The name of the pharmacist
  - a. *Kelsey A.H. Maxim, PharmD*
2. A description of the services that the pharmacist intends to provide at the site
  - a. *The Molina Medicare Medication Therapy Management Program (MTMP) is a clinical pharmacy outreach service designed to educate patients and their health care team in order to optimize medication-related health care outcomes, ensure patient safety, recommend cost-effective medication strategies, coordinate care with the member's interdisciplinary care team and comply with CMS guidelines.*
  - b. *Molina's MTM services include analyzing a member's medication list to review it for potential patient safety problems, including potential drug interactions, suboptimal medication regimens, etc. We also work with the member to overcome barriers to appropriate medication usage that may include analyzing resistance to adherence to therapy through motivational interviewing techniques, financial concerns, transitioning the member from 30-day to 90-day supplies, providing pill boxes to improve adherence, or to escort needed medications through the prior authorization process. Pharmacists also provide education to members and their health care providers about their medications, assist in coordination of care for pharmacy-related issues between members, providers and other members of the member's interdisciplinary care team, and communicate identified suggested interventions to members' providers.*
3. The location at which the pharmacist will provide the services
  - a. *Home office, located at 981 Rook Way Sparks, NV*
4. An identification of the types of patients or other persons to whom the pharmacist intends to provide the services
  - a. *Molina Medicare Part D members*
    - i. *Molina has Medicare Part D members in eleven states including California, Florida, Illinois, Michigan, New Mexico, Ohio, South Carolina, Texas, Utah, Washington, and Wisconsin*
    - ii. *Molina Medicare Part D members can qualify for MTM services by fulfilling the following: three or more chronic diseases (asthma or COPD, chronic heart failure, diabetes mellitus, dyslipidemia, hypertension or mental health) and have six or more covered Part D chronic/maintenance drugs per month, or projected incurred cost of \$3,016 or more per year in covered Part D drugs as calculated by \$754 or more incurred cost in previous quarter.*
5. An identification of the types of pharmacies or other entities to whom the pharmacist intends to provide the services
  - a. *See Section 4*
6. A description of all resources, both paper and electronic, that will be available to the pharmacist in the course of providing the services
  - a. *Recommendations will be based off current guidelines, including but not limited to the 2014 Eighth Joint National Committee's Guideline for the Management of High Blood Pressure in Adults (JNC 8), 2015 American Diabetes Association Standards of Medical Care in Diabetes, 2013 ACC/AHA Guideline on the Treatment of Blood Cholesterol to Reduce Atherosclerotic Cardiovascular Risk in*

- Adults, 2013 ACCF/AHA Heart Failure Guidelines, 2014 AHA/ACC/HRS Guideline for the Management of Patients with Atrial Fibrillation, 2013 ACCF/AHA Guideline for the Management of ST-Elevation Myocardial Infarction, 2014 AHA/ASA Guidelines for Prevention of Stroke in Patients with Stroke and Ischemic Attack, 2012 KDIGO Clinical Practice Guidelines for the Evaluation and Management of Chronic Kidney Disease, and the 2013 National Osteoporosis Foundation Clinician's Guide to Prevention and Treatment of Osteoporosis*
- b. *Online resources include Lexicomp, UpToDate, and Clinical Pharmacology*
  - c. *Textbook resources include Dipro's Pharmacotherapy Handbook 8<sup>th</sup> Edition, Koda-Kimble's Applied Therapeutics 9<sup>th</sup> Edition, and the Handbook of Nonprescription Drugs 17<sup>th</sup> edition.*
  - d. *Monthly CE's are also offered through Roseman University of Health Sciences to provide continuing education on chronic disease states that are often seen within our Medicare population*
7. The days and hours during which the pharmacist intends to provide the services
    - a. *Monday through Friday between the hours of 7:30am and 6:00pm and occasionally on a Saturday if requested by the member*
  8. An explanation of the policy of the pharmacist for users of the services when the pharmacist is unavailable
    - a. *Molina's MTMP department has a toll-free number that members can call in order to reach a pharmacist. The line is available from 7:00am to 5:00pm PST. Members can call this number, which is answered by a Molina representative, who then transfers the call to an available pharmacist (or the requested pharmacist) or schedules an appointment for the pharmacist to call the member back. This line also has a voicemail set up so members can leave messages if they call after office hours.*
  9. An explanation of the policy of the pharmacist regarding the confidentiality and security of the patient data that will be gathered, made and maintained as part of the services which are provided, including, without limitation, paper and electronic records
    - a. *Molina laptops have several security features including Check Point and a two-factor authentication system in order to log in to the VPN client.*
      - i. *Molina utilizes Check Point Software Technologies, which provides IT security, including Firewall, IPsec VPN, Mobile Access, Intrusion Prevention, Antivirus, Anti-spam and Email security, URL filtering, Data Loss Prevention, Anti-Bot and Application Control. Check Point provides these components as individual products called Software Blades or combined in one of their bundle offerings: Next Generation Firewall (NGFW), Next Generation Threat Prevention (NGTP), Next Generation Data Protection (NGDP) and Next Generation Secure Web Gateway (NGSWG)*
      - ii. *Two-Factor Authentication is a technology that provides identification of users by means of the combination of two different components. "These components may be something that the user knows, something that the user possesses or something that is inseparable from the user." Specifically, I use my username and password in combination with an application on my iPhone that provides me a number that must be entered within 30 seconds of being generated.*
      - iii. *In addition, please see attached, "Laptop Security Measures"*



- b. All printing is conducted in the office, located in Midvale, Utah. CMRs are completed using a third-party vendor called Assurance. Assurance is accessed through the Internet. Once a CMR is completed, it generates reports to be sent to both the member and the member's provider. Clerks in Midvale print and mail the patient reports and fax the provider reports to a verified-fax number.*
- 10. Whether the services provided will be affiliated with, an adjunct of or otherwise related to a licensed pharmacy
  - a. Not applicable*
- 11. A description of the business plan for the services provided
  - a. Please see attached, "Medication Therapy Management Program 2014 Detailed"*

## Medication Therapy Management Program Description:

The Molina Medicare Medication Therapy Management Program is a clinical pharmacy outreach service designed to educate patients and their health care team in order to optimize medication-related healthcare outcomes, ensure patient safety, recommend cost-effective medication strategies, coordinate care with the member's interdisciplinary care team and comply with CMS guidelines.

**Interventions:** the Medication Therapy Management Pharmacists:

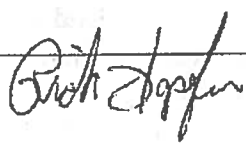
- Provide a *comprehensive medication review* (CMR) for all eligible members annually
  - Analyze member's medication lists
  - Review medication lists for potential patient safety problems, including potential drug interactions, suboptimal medication regimens, etc.
  - Make outbound calls to members and speak with them about their medications in an interactive person-to-person consultation
  - Work with the member to overcome barriers to appropriate medication usage:
    - Resistance to adherence to therapy through Motivational Interviewing techniques
    - Financial concerns:
      - Transition members from brand-name or non-formulary medications to more cost-effective or generic alternatives
      - Educate the member on how to optimize their medications to the formulary
      - Save copays by refilling medications only every 90 days instead of monthly
    - Enable the member to transition from 30-day to 90-day supplies for improved adherence.
      - Provide overrides in the pharmacy billing system so all 90-day supplies can be picked up at one time from the local pharmacy
      - Escort the member through the process of transferring medications to mail order through CVS/Caremark
    - Provide pill boxes to enable improved adherence.
      - Provide a chart which shows the best times for daily administration in order for the member to fill the pill box themselves.
    - Escort needed medications through the prior authorization process.
  - Provide education to members about their medications including:
    - the importance and benefits of the medications relevant to the members' medical conditions.
    - Potential side effects that the members may experience.
    - How to overcome side effects of medications
    - Helping member to weigh the risks and benefits of each therapy.
  - Provide education to members' health care providers about the members' medications
  - Assist in coordination of care for pharmacy-related issues between members, providers and other members of the member's interdisciplinary care team
  - Communicate identified suggested interventions to members' providers
  - Document interactions with members and providers
  - Send a reconciled personal medication list to members once comprehensive review is completed
- Conduct *targeted medication reviews* for eligible members quarterly
  - Follow-up with members to ensure changes are being made to meet treatment goals

- Target specific clinical problems that affect many members and send letters to prescribers

**Eligibility for MTMP:** members can qualify for the MTMP by fulfilling the following:

- Three or more of the following chronic diseases
  - Respiratory Disease-Asthma
  - Respiratory Disease-COPD
  - Chronic Heart Failure
  - Diabetes Mellitus
  - Dyslipidemia
  - Hypertension
  - Mental Health-Depression
  - Mental Health-Chronic and Disabling
- AND six or more covered Part D chronic/maintenance drugs per month
- Projected incurred cost of \$3,016 or more per year in covered Part D drugs as calculated by \$784 or more incurred cost in previous quarter

# MOLINA HEALTHCARE INC.

Policy and Procedure No. IS-61.20	
Department: Information Services	
Title: Desktop/Laptop Security Standards	
Effective Date: September 3, 2013	
Reviewed and Revised Date: 11/19/13, 12/24/14, 7/20/15	
Rick Hopfer CIO	Reviewed Only Date:
Authorized Signature:  Date: 7/27/15	Supersedes and replaces: IS-61.20 Date: May 1, 2008

## I. PURPOSE

The purpose of this document is to provide guidance for Molina Healthcare, Inc. (MHI), regarding desktops and laptops to ensure the security of information.

Desktops or laptops provide access to MHI's data. If the desktop or laptop has weakness in security, it will be exploited. Therefore, it is important to have strong security standards for all desktops and laptops.

This document applies to all MHI workforce members, consultants, vendors, and guests, using a desktop or a laptop that is connected or will be connected to the MHI network.

## II. POLICY

Workforce members using laptops or desktops shall consider the sensitivity of the information, including electronic Protected Health Information, (e-PHI), including Race/Ethnicity and Language (REL) Data and other sensitive member information, that may be accessed; and shall minimize the possibility of unauthorized access.

MHI will implement physical and technical safeguards for all desktops and laptops that access ePHI or other sensitive member information shall be limited to minimum necessary required to perform their job related duties.

## III. PROCEDURE

Appropriate measures must be taken when using desktops or laptops to ensure confidentiality, integrity, and availability of sensitive information, including Protected Health Information (PHI) and that access to sensitive information is restricted to authorized users only.

Policy and Procedure No: IS-61.20	Department: Information Services
Title: Desktop/Laptop Security Standards	

Appropriate measures include:

- Users *must not* install, copy, or distribute any software on a desktop or laptop. This includes but is not limited to: Audio files, movies, photographs, games, books, hacking tools, third-party browsers, etc. Exceptions will be made if the software is required to perform their job function. All exceptions must be approved by either the Chief Information Security Official or his designee.
- Users must not have Administrator-level rights either for a desktop or laptop. Under special circumstances and upon the approval of either the Chief Information Security Official or his designee, the user can be provided with Local Administrator rights. Approved users for any use of administrator rights shall use the Privilege Account Manager (PAM) tool when accessing administrative accounts. All approvals shall be documented and approved by IT Security. This requirement will lessen security threats and vulnerabilities on desktops and laptops.
- All company laptop and desktop hard drives will be encrypted with certified FIPS 140-2 disk encryption software that will include pre-boot authentication where necessary. Devices identified out of compliance shall be removed from Active Directory (AD) by the FTS team and returned to the IT department immediately to be re-imaged to ensure compliance.
- All MHI desktop and laptop computers shall be configured according to MIT desktop and laptop configuration standards.
- Restrict physical access to laptops and desktops to only authorized personnel.
- Ensuring laptops are not left unattended in public places on or off MHI property.
- Securing laptops and desktops (screen lock or logout) prior to leaving area to prevent unauthorized access.
- Users issued laptops are expected to take them home at the end of the business day. In addition to working remote, this also provides for off-site business continuity in the event of a disruption of services.
- Keep food and drink away from laptops and desktops in order to avoid accidental spills.
- Secure laptops by using cable locks or locking up laptops in drawers or cabinets where necessary.
- View screens/monitors are positioned away from public view. If necessary, install privacy screen filters or other physical barriers to public viewing.
- If using a wireless network, ensure access is secure by following the Wireless Network Security policy.
- If network connectivity is required during hotel stays, the user should opt for a wired connection if one is available.
- When transported by car, laptops should be stowed in the trunk or some other area where it will not be easily seen or attract attention.
- When traveling by air or train, the laptop should never become checked baggage and should always be kept as carry-on luggage. During hotel stays, laptops should not be left unsecured in the room. If the user cannot take the laptop with them when leaving the hotel, it should be secured with a cable lock or left in the hotel safe.
- Users shall not disable any default software applications, such as antivirus software, encryption software, and desktop agents (desktop management service) deployed by the MIT Enterprise Service Desk.

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<b>Title:</b> Desktop/Laptop Security Standards	

- Desktop and laptop computer users shall not write, compile, copy, knowingly propagate, execute, or attempt to introduce any malicious computer codes designed to self-replicate, damage, or otherwise hinder the performance of any computer system, such as a virus, worm, or Trojan horse.
- Unauthorized or non-MHI-provided desktops or laptops are not allowed to connect to the MHI network to access data or any resources. The ONLY exceptions to this rule are for users who access through Citrix SSL VPN with two-factor authentication..
- All remote connections to Molina's Web Mail (OWA), Molina's network using the VPN Client, and to Molina's applications using the Citrix SSL VPN shall utilize two-factor authentication provided by MHI Information Technology (IT) Department.
- Suspected viruses or security incidents should be reported immediately to the CIRT.
- User accounts that are associated with potential security incidents may be disabled or have the password reset by the Computer Incident Response Team (CIRT) until an investigation is completed to ensure compliance.
- Lost or stolen workstations or laptops must be reported immediately to the Security Officer or the Privacy Officer.

#### **IT Security Standard(s)**

Please refer to the following standard(s) for procedural specific requirements that must be followed by IT staff: IS 61.20 Desktop and Laptop Standard

#### **IV. DEFINITIONS**

- *Workforce* includes employees, agency labor, volunteers, trainees, and other persons whose conduct, in the performance of work for MHI is under the direct control of MHI.
- A *workstation* is a hardware device used for MHI business and includes desktop computers, laptop computers, Personal Digital Assistant (PDA), or other devices that perform similar functions,
- *Protected Health Information (PHI)* means Individually Identifiable Health Information, except as noted below, that is:
  - a. Transmitted by electronic media;
  - b. Maintained in electronic media; or
  - c. Transmitted or maintained in any other form or medium.

Protected Health Information excludes Individually Identifiable Health Information:

- (i) in educational records covered by the Family Educational Rights Privacy Act;
- (ii) in records described at 20 U.S.C. 1232g(a)(4)(B)(iv);
- (iii) in employment records held by Molina Healthcare in its role as an employer; and
- (iv) regarding a person who has been deceased for more than 50 years.

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- *Sensitive Member Information* means PHI and other Individually Identifiable Health Information that Molina Healthcare members would reasonably want to keep private and confidential.
- *Individually Identifiable Health Information* is information that is a subset of health information, including demographic information (which includes, but is not limited to, Race/Ethnicity and Language Data) collected from an individual, and
  1. Is created or received by health care provider, health plan, or health care clearinghouse; and
  2. Relates to the past, present, or future physical or mental health or condition of an individual; the provision of health care to an individual; or the past, present, or future payment for the provision of health care to an individual; and
    - (i) that identifies the individual; or
    - (ii) with respect to which there is a reasonable basis to believe the information can be used to identify the individual.
- *Confidential Information* includes, but is not limited to, protected health information (PHI), personal information concerning members, employees and providers; practitioner specific information related to credentialing proceedings, quality reviews, malpractice suit, peer-reviewed determination etc.; financial information relating to members, employees and providers; proprietary business information and trade secrets.
- *Electronic Confidential Information* includes confidential information stored or transmitted electronically.
- *Encryption* is the conversion of data into a form, called a ciphertext that cannot be easily understood by unauthorized people. Decryption is the process of converting encrypted data back into its original form, so it can be understood.
- A *laptop (notebook) computer* is a portable computer. Laptop computers allow the user to bring the computer with them, and the main risks of such a computer are having the computer stolen and logging onto an unsecure network whereby compromising the security of the data on the computer.
- *Administrator-level rights* are the highest level of permission that is granted to a computer user and normally allows the user to install software, and change configuration settings
- A cable lock is an anti-theft system designed to secure a laptop to a permanent surface. The lock attaches to a small, metal-reinforced hole found commonly on small or portable computers and electronics equipment
- *Wi-Fi* is a technology that allows an electronic device to exchange data or connect to the Internet wirelessly, using radio waves. It connects via a wireless local area network (WLAN) through the use of a wireless router.
- A *server* is a dedicated computer or device on a network that manages network resources, such as documents, sound files, photographs, movies, images, and databases.
- *Malicious computer code (malware)* is software used—and sometimes programmed—by attackers to disrupt computer operation, gather sensitive information, or gain access to a computer. Malware

Policy and Procedure No: IS-61.20	Department: Information Services
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includes computer viruses, ransomware, worms, Trojan horses, rootkits, keyloggers, dialers, spyware, and adware.

- *Citrix SSL VPN* (virtual private network) extends a private network securely encrypting traffic across a public network, such as the Internet. It enables a computer to send and receive data across shared or public networks as if it were directly connected to the private network, while benefiting from the functionality, security and management policies of the private network.
- *Two-factor authentication* requires the presentation of two or more of the three *independent* authentication factors: a *knowledge* factor ("something only the user *knows*"), a *possession* factor ("something only the user *has*"), and an *inherence* factor ("something only the user *is*"). After presentation, each factor must be validated by the other party for a successful authentication to occur.



Second: Cheryl Blomstrom

Action: Passed Unanimously

Board Action:

Motion: Kirk Wentworth moved to revoke Tara Hsiung's Pharmacy Technician's License.

Second: Tallie Pederson

Aye: Blomstrom, Desmond, Pederson, Wentworth  
Nay: Basch, Penrod

Action: Motion Carried

#### 7. Application for Pharmacist License by Reciprocity

Genda Zareei

Genda Zareei appeared and was sworn by President Gandhi prior to answering questions or offering testimony.

Ms. Zareei explained that she worked as a hospital pharmacist from 1991 up until her discipline by the South Carolina Board of Pharmacy in 2011. She stated that she is currently teaching at a pharmacy technology program in California.

Ms. Zareei explained that the discipline against her South Carolina Pharmacist license occurred in 2011, when a duplicate label was printed for her Tramadol prescription. The error resulted in Ms. Zareei receiving an unauthorized refill and removing the medication from the pharmacy. After discovering the unauthorized refill, Ms. Zareei reported to the Recovering Professional Program and received outpatient treatment at the South Carolina Board of Pharmacy's recommendation.

Ms. Zareei answered questions to the Board's satisfaction.

The Board expressed concern that Ms. Zareei has not practiced as a pharmacist in 4 years.

Ms. Zareei explained that she also applied for her Pharmacist license in California, which was denied based on the 2011 disciplinary action in South Carolina. She stated that she is currently in the process of appealing that decision.

Board Action:

Motion: Cheryl Blomstrom moved to approve the Application for Pharmacist License by Reciprocation for Genda Zareei pending successful completion of the PARE exam.

Mr. Wentworth offered a friendly amendment to include Ms. Zareei submitting 30 hours of CE to Board Staff.

Ms. Blomstrom accepted the friendly amendment

Mr. Pinson recommended to alter the motion from pending successful completion to pending passing the PARE exam.

Mr. Wuest recommended including the option for Ms. Zareei to pass the Naplex exam.

Ms. Blomstrom accepted Mr. Pinson's and Mr. Wuest's recommendations.

Second: Kevin Desmond

Action: Passed unanimously

8. Request for Pharmacist License by Examination – Appearance

Karen A. Kinan

Karen Kinan appeared and was sworn by President Gandhi prior to answering questions or offering testimony.

Ms. Kinan stated that she appeared before the Board to get permission to take the Naplex exam. Ms. Kinan explained that she is a recovering alcoholic and addict.

Larry Espadero, Director of PRN-PRN, was sworn by President Gandhi prior to answering questions or offering testimony.

Mr. Espadero explained that he provided a letter from the Director of PRN-PRN in Georgia.

Mr. Pinson recapped Ms. Kinan's history with the Board. He explained that she has been revoked by 4 different Board Presidents, was addicted to drugs, alcohol, and gambling, was fined \$20,000.00, which remains unpaid, and was ordered to undergo psychiatric evaluation.

Ms. Kinan explained that she applied for a Pharmacist License in Georgia, but the Georgia Board of Pharmacy won't consider her application until she resolves all outstanding disciplinary action with the Nevada State Board of Pharmacy.

NEVADA STATE BOARD OF PHARMACY  
431 W Plumb Lane • Reno, NV 89509 • (775) 850-1440

APPLICATION BY RECIPROCATATION AS A PHARMACIST

If you are requesting licensure by reciprocity (i.e. you have a current pharmacist license from another state and wish to transfer license information and only need to take the Nevada MPJE), complete this application:

Total Fee: \$330.00 (non-refundable, money order or cashier's check only, no cash)

Money Order or Cashier's Check made payable to: Nevada State Board of Pharmacy

Complete Name (no abbreviations):

First: Genda Middle: Anita Last: Zareei

Mailing Address: 39469 Gallaudet Dr #314

City: Fremont State: Ca Zip Code: 94538

Telephone: \_\_\_\_\_ E-mail Address: \_\_\_\_\_

Date of Birth: \_\_\_\_\_ Place of Birth: Anderson SC

Social Security Number: \_\_\_\_\_ Sex: ☐ M or ☒ F

Original State of Licensure you are reciprocating from must be active and issued by exam;

State: SC 7837 Date of Issuance: 1/2/1992

College of Pharmacy Information

Graduation Date: 06/07/1991  
(mm/dd/yy)

Degree Received: ☒ PharmD ☐ BS in Pharmacy ☐ Other (check one)

Name of Pharmacy School: Mercer University

Location of School: Atlanta Ga

If you are a foreign graduate you must attach a copy of your FPGEC certificate to THIS APPLICATION.  
You also need to complete the college of pharmacy information

**Board Use Only**

Received: 2/25/15 Amount: \$330.00 Entity #: 83519

Laws \_\_\_\_\_ MPJE 10/13

Other states where you are (or were) licensed as a pharmacist or print "none"

State	Lic #	Is the license active?	State	Lic #	Is the license active?
Ga	16963	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>			Yes <input type="checkbox"/> No <input type="checkbox"/>
		Yes <input type="checkbox"/> No <input type="checkbox"/>			Yes <input type="checkbox"/> No <input type="checkbox"/>

\*\*Attach separate sheet if needed

				Yes	No
<p>Been diagnosed or treated for any mental illness, including alcohol or substance abuse, or physical condition that would impair your ability to perform the essential functions of your license?..... <input checked="" type="checkbox"/> <input type="checkbox"/></p>					
<p>1. Been charged, arrested or convicted of a felony or misdemeanor in <u>any</u> state?..... <input type="checkbox"/> <input checked="" type="checkbox"/></p>					
<p>2. Been the subject of an administrative action whether completed or pending in <u>any</u> state?..... <input type="checkbox"/> <input checked="" type="checkbox"/></p>					
<p>3. Had your license subjected to any discipline for violation of pharmacy or drug laws in <u>any</u> state?.... <input checked="" type="checkbox"/> <input type="checkbox"/></p>					
<p>If you marked <b>YES</b> to any of the numbered questions (1-3) above, please include the following information and provide an expiration or documents:</p>					
Board Administrative Action: SC		State: SC	Date: 6/13/2012	Case #: OIE #2011-18	
Criminal Action:	State:	Date:	Case #:	County:	Court:
		1/1			

### FEDERALLY MANDATED REQUIREMENTS

In response to Federally mandated requirements, the Nevada Legislature and Attorney General require that we include this questions as part of all applications.

4. Are you the subject of a court order for the support of a child?.....Yes ☐ No ☒  
**4a. If you marked Yes, to the question 4, are you in compliance with the court order?.....Yes ☐ No ☐**

I have read all questions, answers and statements and know the contents thereof. I hereby certify, under penalty of perjury, that the information furnished on this application are true, accurate and correct. I attest to knowledge of and compliance with the guidelines of the Centers for Disease Control and Prevention concerning the prevention of transmission of infectious agents through safe and appropriate injection practices. I hereby authorize the Nevada State Board of Pharmacy, it's agents, servants and employees, to conduct any investigation(s) of my business, professional, social and moral background, qualification and reputation, as it may deem necessary, proper or desirable.

No liability of any sort or kind shall attach to the said Nevada State Board of Pharmacy, it's members, servants or employees because or by reason of the use of the authorization.

Henda Anita Zurei  
 Original Signature, no copies or stamps accepted

2/15/2015  
 Date

**SOUTH CAROLINA DEPARTMENT OF LABOR, LICENSING & REGULATION  
BEFORE THE STATE BOARD OF PHARMACY**

**IN THE MATTER OF:**

GENDA ZAREEI, R.Ph.,  
License No.: PH. 7837

RESPONDENT.

**ORDER**

This matter is before the Board pursuant to the petition of the Respondent. Genda Zareei, Respondent, is requesting release of her June 13, 2012, Consent Agreement. At its meeting on November 20, 2013, the Board considered this request with a quorum present. Applicant appeared without counsel and offered testimony to supplement her request. The Board voted to grant Respondent's request.

**FINDINGS OF FACT**

1. Respondent is licensed as a Pharmacist in South Carolina, with license number 7837.
2. Respondent voluntarily entered into the Consent Agreement on June 13, 2012.
3. Respondent has successfully completed the terms of her Consent Agreement, which included placing her license a in probationary status for a period of 1 year from the effective date of the Consent Agreement.

**CONCLUSIONS OF LAW**

Having testified and supplied the Board with evidence that she has fulfilled the terms of her Consent Agreement, Respondent's request is hereby GRANTED and her license is returned to good standing.

**THEREFORE, IT IS ORDERED that:**

1. Respondent's petition for release is GRANTED.

**AND IT IS SO ORDERED.**

**SOUTH CAROLINA DEPARTMENT OF  
LABOR, LICENSING & REGULATION**

**STATE BOARD OF PHARMACY**

  
\_\_\_\_\_  
J. ADDISON LIVINGSTON, R.Ph., PharmD  
Chairman

January 7, 2014.

**SOUTH CAROLINA DEPARTMENT OF LABOR, LICENSING AND REGULATION  
BEFORE THE STATE BOARD OF PHARMACY OF SOUTH CAROLINA**

In the Matter of:

**GENDA A. ZAREEI**  
License No. PH.7837

OIE # 2011-18

Respondent

**CONSENT AGREEMENT**

By agreement of the State Board of Pharmacy of South Carolina (the Board) and the above-named Respondent, the following disposition of this matter is entered pursuant to the provisions of S.C. Code Ann. § 1-23-320(f) (1976, as amended), in lieu of, *inter alia*, a hearing before the Board. Respondent, admitting the allegations herein and agreeing to the sanctions as set forth below.

**FINDINGS OF FACT**

1. Respondent was licensed as a pharmacist at all times relevant to the matters asserted in this case. The Board has jurisdiction over this matter.
2. Respondent admits the following:
  - a. Respondent was a pharmacist at Cannon Memorial Hospital, located at 123 W.G. Acker Drive, in Pickens, South Carolina 29671. On April 6, 2011, Respondent admitted that she removed quantity of Tramadol from the hospital. DHEC took action against the Respondent as a result of this conduct. Respondent reported to the Recovering Professional Program (hereinafter "RPP") and received outpatient treatment.
  - b. Respondent further admits that as a result of the previous admissions herein, Respondent has violated S.C. Code Ann. §§ 40-43-86(DD)(5) and 40-1-110(1)(f) and (g)(Supp. 2010).
3. Respondent waives any further findings of fact with respect to this matter.

**CONCLUSIONS OF LAW**

1. Respondent admits that the conduct in this matter constitutes sufficient grounds for disciplinary or corrective action under South Carolina Code Ann. §§ 40-43-140 and 40-1-120 (Supp. 2010). Respondent hereby waives any further conclusions of law with respect to this matter.

result in further discipline. Any license law violations by Respondent constitute a failure to meet the conditions of this Consent Agreement.

5. Respondent agrees to comply with all state and federal statutes and regulations governing the practice of pharmacy.
6. Respondent shall cooperate with the Board, its attorneys, investigators, and other representatives in the investigation of Respondent's practice and compliance with the provisions of this Consent Agreement. Respondent may be required to furnish the Board with additional information as may be deemed necessary by the Board or its representatives. In addition to such requests, the Board in its discretion may require Respondent to submit further documentation regarding Respondent's practice, and it is Respondent's responsibility to comply with all reasonable requests in a timely fashion. Failure to comply with such requests is a violation of this Consent Agreement, and may result in the immediate temporary suspension of Respondent's license to practice pharmacy, pending a hearing and until further Order of the Board.
7. Pursuant to the South Carolina Freedom of Information Act, this Consent Agreement, with attachments, is a public document, and this action will be reported to the National Practitioner Data Bank in accordance with P.L. 99-660.
8. This Consent Agreement shall take effect upon service of an executed copy on the Respondent or counsel. Respondent's probationary period will run from the date of her participation agreement as set forth herein above.

**AND IT IS SO AGREED.**

**STATE BOARD OF PHARMACY**

June 13, 2012  
Date

Joseph D. Bushardt  
Chairman of the Board

Blank



# NEVADA STATE BOARD OF PHARMACY

431 W Plumb Lane – Reno, NV 89509 – (775) 850-1440

## APPLICATION FOR NEVADA Medical Device, Equipment & Gases (MDEG)

\$500.00 Fee made payable to: Nevada State Board of Pharmacy

(non-refundable and not transferable money order or cashier's check only)

Application must be printed legibly or typed

Any misrepresentation in the answer to any question on this application is grounds for refusal or denial of the application or subsequent revocation of the license issued and is a violation of the laws of the State of Nevada.

☒ New MDEG      ☐ Ownership Change      ☐ Name Change      ☐ Location Change  
(Please provide current license number if making changes: MP or MW \_\_\_\_\_)

☐ Publicly Traded Corporation – Pages 1,2,3,4      ☐ Partnership - Pages 1,2,3,6  
☒ Non Publicly Traded Corporation – Pages 1,2,3,5a,5b      ☐ Sole Owner – Pages 1,2,3,7  
Please check box for type of ownership and complete correct part of the application.

### GENERAL INFORMATION to be completed by all types of ownership

MDEG Name: Cintas Corporation No. 2

Physical Address: 250 Vista Blvd #107, Sparks, NV 89434

(This must be a business address, we can not issue a license to a home address)

Mailing Address: 250 Vista Blvd #107,

City: Sparks State: NV Zip Code: 89434

Telephone: 775-352-1755 Fax: 775-352-1767

E-mail: HarrisonE@cintas.com Website: www.cintas.com

### DAYS AND HOURS THAT THE FACILITY WILL BE REGULARLY OPERATING

Mon: 7:00 to 3:30 Tue: 7:00 to 3:30 Wed: 7:00 to 3:30 Thu: 7:00 to 3:30

Fri: 7:00 to 3:30 Sat: \_\_\_\_\_ to \_\_\_\_\_ Sun: \_\_\_\_\_ to \_\_\_\_\_ Holidays: \_\_\_\_\_ to \_\_\_\_\_

### MDEG ADMINISTRATOR INFORMATION (MDEG administrator application required)

Name: Elisha Harrison

### TYPE OF MDEG PRODUCTS THAT WILL BE SOLD (CHECK ALL APPLICABLE)

Medical Gases\*\*

Respiratory Equipment\*\*

Life-sustaining equipment\*\*

Diabetic Supplies

Assistive Equipment

Parenteral and Enteral Equipment\*\*

Orthotics and Prosthesis

Other: \_\_\_\_\_

\*\*If providing these types of services you are required to have in place a mechanism to ensure continued care in the event of an emergency. Provide name and telephone number of Nevada contact. Name: \_\_\_\_\_ Telephone: \_\_\_\_\_

## APPLICATION FOR NEVADA MDEG LICENSE

This page must be submitted for all types of ownership.

List all Medicare and Medicaid provider numbers registered to the business or its owner:

_____	_____	_____
_____	_____	_____
_____	_____	_____

1) Do any shareholders hold an interest ownership or have management in any type of business or facility which are licensed by the State of Nevada or another political jurisdiction? Yes ☒ No ☐

2) Are you or have you in the last year been associated with any person, business or health care entity in which MDEG products were sold, dispensed or distributed? Yes ☒ No ☐

3) Are any of the owners health professionals? If yes, please check the box and list name.

<input type="checkbox"/> Practitioner	Name: _____
<input type="checkbox"/> Advanced Practitioner of Nursing	Name: _____
<input type="checkbox"/> Physician's Assistant	Name: _____
<input type="checkbox"/> Physical Therapist	Name: _____
<input type="checkbox"/> Occupational Therapist	Name: _____
<input type="checkbox"/> Registered Nurse	Name: _____
<input type="checkbox"/> Respiratory Therapist	Name: _____

Practicing licensed health care professionals cannot obtain a license per NAC 639.6943.

## APPLICATION FOR NEVADA MDEG LICENSE

This page must be submitted for all types of ownership.

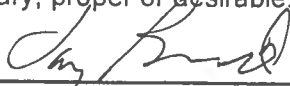
Within the last five (5) years:

- 1) Has the corporation, any owner, shareholder(s) or partner(s) with any interest, ever been charged, or convicted of a felony or gross misdemeanor (including by way of a guilty plea or no contest plea)? Yes ☐ No ☒
- 2) Has the corporation, any owner(s), shareholder(s) or partner(s) with any interest, ever been denied a license, permit or certificate of registration? Yes ☐ No ☒
- 3) Has the corporation, any owner(s), shareholder(s) or partner(s) with any interest, ever been the subject of an administrative action or proceeding relating to the pharmaceutical industry? Yes ☐ No ☒
- 4) Has the corporation, any owner(s), shareholder(s) or partner(s) with any interest, ever been found guilty, pled guilty or entered a plea of nolo contendere to any offense federal or state, related to controlled substances? Yes ☐ No ☒
- 5) Has the corporation, any owner(s), shareholder(s) or partner(s) with any interest, ever surrendered a license, permit or certificate of registration voluntarily or otherwise (other than upon voluntary close of a facility)? Yes ☐ No ☒

If the answer to questions 1 through 5 is "yes", a signed statement of explanation must be attached. Copies of any documents that identify the circumstance or contain an order, agreement, or other disposition may be required.

I hereby certify that the answers given in this application and attached documentation are true and correct. I understand that any infraction of the laws of the State of Nevada regulating the operation of an authorized MDEG provider or wholesaler may be grounds for the revocation of this permit.

I have read all questions, answers and statements and know the contents thereof. I hereby certify, under penalty of perjury, that the information furnished on this application are true, accurate and correct. I hereby authorize the Nevada State Board of Pharmacy, its agents, servants and employees, to conduct any investigation(s) of the business, professional, social and moral background, qualification and reputation, as it may deem necessary, proper or desirable.

  
Original Signature of Person Authorized to Submit Application, no copies or stamps

Jay Brusca  
Print Name of Authorized Person

10/23/15  
Date

Board Use Only

Received: 11-10-15

Amount: 500 -

APPLICATION FOR NEVADA MDEG LICENSE

OWNERSHIP IS A NON-PUBLICLY TRADED CORPORATION

State of Incorporation: Nevada

Parent Company if any: Cintas Corporation

Corporation Name: Cintas Corporation No. 2

Mailing Address: 6800 Cintas Blvd.

City: Mason State: OH Zip: 45040

Telephone: 513-459-1200 Fax: \_\_\_\_\_

Contact Person: Bill Bradbury

For any corporation non publicly traded, disclose the following:

1) List top 4 persons to whom the shares were issued by the corporation?

a) \_\_\_\_\_  
Name Address

b) \_\_\_\_\_  
Name Address

c) \_\_\_\_\_  
Name Address

d) \_\_\_\_\_  
Name Address

**NOTE:** All persons who are stockholders must accurately complete a personal history record form. Download the form from the website under the "New Applications" tab. The forms are available under the *documents for all types of businesses*.

2) Provide the number of shares issued by the corporation. \_\_\_\_\_

3) What was the price paid per share? \_\_\_\_\_

4) What date did the corporation actually receive the cash assets? \_\_\_\_\_

5) Provide a copy of the corporation's stock register evidencing the above information

**LIST OF OFFICERS  
FOR CINTAS CORPORATION NO. 2**

Name	Title	Address	Telephone
Scott D. Farmer	CEO	6800 Cintas Blvd., Mason, OH 45040	513-459-1200
J. Phillip Holloman	President & COO	6800 Cintas Blvd., Mason, OH 45040	513-459-1200
J. Michael Hansen	VP & CFO	6800 Cintas Blvd., Mason, OH 45040	513-459-1200
Thomas E. Frooman	Sr. VP & Secretary	6800 Cintas Blvd., Mason, OH 45040	513-459-1200
Paul Adler	VP & Treasurer	6800 Cintas Blvd., Mason, OH 45040	513-459-1200

Cintas Corporation No. 2, a Nevada corporation, is a wholly owned subsidiary of Cintas Corporation, a Washington corporation. Both Cintas Corporation No. 2 and Cintas Corporation have their principal place of business located at 6800 Cintas Blvd., Mason, OH 45040.

## APPLICATION TO BE THE MDEG ADMINISTRATOR

Person who runs the facility on a daily basis

☑ Date 10/21/15

Each MDEG shall employ an administrator at all times. The administrator must be:

1. A natural person.
2. Have a high school diploma or its equivalent.
3. Have: a) At least 1500 hours of verifiable work experience relating to the products provided be the medical products provider or medical products wholesaler or b) An associate's degree or higher degree from an accredited college or university in a field of study that is directly related to patient health care.
4. Be employed be the medical products provider or medical products wholesaler at the place of business or facility of the employer at least 40 hours per week or during all regular business hours if the business or facility is regularly open less than 40 hours per week and
5. Be approved by the board.
6. The administrator shall ensure that that the operation of the business or facility complies with all applicable federal, state and local laws, regulations and rules.

A medical products provider or medical products wholesaler shall notify the staff of the Board of the cessation of employment of an administrator within 3 business days after the cessation of the employment. A medical products provider or medical products wholesaler shall notify the staff of the Board of the employment of a new administrator within 3 business dates after the beginning of the employment.

A medical products provider or medical products wholesaler may not operate for more than 10 business days without an administrator. The Board may summarily suspend the operation of a business or facility that operates without an administrator.

### GENERAL INSTRUCTIONS

Type or print an answer to every question. If a question does not apply to you, so state with N/A. If space available is insufficient, use a separate sheet and precede each answer with the appropriate title. Do not misstate or omit any material fact(s) as each statement made hererin is subject to verification. Applicant must initial each page, as provided in lower right hand corner.

All applicants are advised that this application to be a MDEG administrator is an official document and misrepresentation or failure to reveal information requested may be deemed to be sufficient cause for the refusal or revocation of a license.

All applicants are further advised that an application for a license, finding of suitability or for other action may not be withdrawn without the permission of the licensing agency.

Application for Manager of Distribution Center

Cintas FAS DC 250 Vista Boulevard #105 Sparks NV 89434  
Name and Address of Business for Which MDEG Administrator Is Requested

.....  
If applicable, Name Under Which It Is Now Operated

1. PERSONAL INFORMATION:

Harrison  
Last Name

Elisha  
First Name

Keabalanii  
Middle Name

Alias(es, Nicknames, Maiden Name, Other Name Changes, Legal or Otherwise)

9755 Silver Sky Parkway #2001 Reno 89506  
Present Residence Address-Street or RFD City State/Zip

250 Vista Boulevard #107 Dates 1994-Present Sparks NV 89434  
Present Business Address City State/Zip

Distribution Center Manager Dates Feb 2015-Present  
Present Position with the MDEG

Phone: 775-352-1755 Fax: 775-352-1767

Email address: HarrisonE@cintas.com

Emmett, Gem, ID  
Date of Birth Place of Birth (City, County, State)

35  
Age

\_\_\_\_\_  
Social Security Number

Male  
Sex

Brown  
Color of Eyes

Black  
Color of Hair

220  
Weight

5.11  
Height

Scars, tattoos or distinguishing marks and/or characteristics Tattoo on arm +  
shoulder

Are you a citizen of the United States? Yes ☒ No ☐

If alien, registration No \_\_\_\_\_

If naturalized, certificate No \_\_\_\_\_ Date \_\_\_\_\_

Place \_\_\_\_\_ (If naturalized, document must be verified.)

**EMPLOYMENT:**

A MDEG administrator must document that he or she has been employed for at least 1500 hours of verifiable work experience relating to the products provided by the medical products provider or medical products wholesaler. Please provide the following information to document your hours of employment.

9/1/06 - 12/28/07	University of Idaho 709 S. Dearborn St Moscow ID 838414	
Month and Year	Name/ Address of Employer/Business	No of Employed Hours
Emergency Response Instructor	Instructor for Under graduate students	
Title	Description of Duties	Name of Supervisor

Month and Year	Name/ Address of Employer/Business	No of Employed Hours
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Title	Description of Duties	Name of Supervisor
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Month and Year	Name/ Address of Employer/Business	No of Employed Hours
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Title	Description of Duties	Name of Supervisor
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Month and Year	Name/ Address of Employer/Business	No of Employed Hours
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Title	Description of Duties	Name of Supervisor
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Month and Year	Name/ Address of Employer/Business	No of Employed Hours
----------------	------------------------------------	----------------------

Title	Description of Duties	Name of Supervisor
-------	-----------------------	--------------------

Month and Year	Name/ Address of Employer/Business	No of Employed Hours
----------------	------------------------------------	----------------------

Title	Description of Duties	Name of Supervisor
-------	-----------------------	--------------------



I have ☐ I have not ☒ been diagnosed or treated in the last five years for a mental illness or a physical condition that would impair my ability to perform any of the essential functions of my license, including alcohol or substance abuse,

1. I have ☐ I have not ☒ been charged, arrested or convicted of a felony or misdemeanor.
2. I have ☐ I have not ☒ been the subject of an administrative action whether completed or pending.
3. I have ☐ I have not ☒ had a license suspended, revoked, surrendered or otherwise disciplined, including any action against a professional license that was not made public.

If you checked "I have" to questions 1, 2 and/or 3, please include the following information and provide a written explanation and/or documents.

a) Board Administrative Action: State: \_\_\_\_\_  
b) Date: \_\_\_\_\_

Case Number: \_\_\_\_\_

c) Criminal Action: State: \_\_\_\_\_

Date: \_\_\_\_\_

Case Number: \_\_\_\_\_

County: \_\_\_\_\_

Court: \_\_\_\_\_

4. Will you be actively involved in and aware of the daily operation of the MDEG?

Yes ☒ No ☐

5. Will you be employed fulltime with the MDEG?

Yes ☒ No ☐

6. Will you be present at the site of the MDEG during its normal operating hours?

Yes ☒ No ☐

If you answer No to questions 4, 5 or 6 please provide a written letter of explanation.



ATTACH PHOTOGRAPH

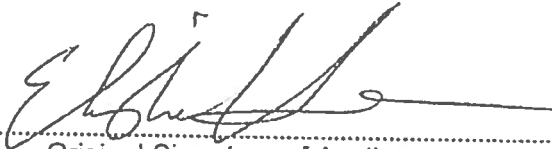
TAKEN WITHIN LAST

30 DAYS HERE

Date of photograph 9/30/15

I, Elisha Keatalani Harrison, being duly sworn, depose and say I have read the foregoing application and know the contents thereof; that the statements contained herein are true and correct and contain a full and true account of the information requested; that I executed this statement with the knowledge that misrepresentation or failure to reveal information requested may be deemed sufficient cause for denial or revocation of a MDEG license; that I am voluntarily submitting this application with full knowledge that Nevada Revised Statutes 639.210 (10) provides denial or revocation of the application of any person for a certificate, license, registration or permit if the holder or applicant "Has obtained any certificate, certification, license or permit by the filing of an application, or any record, affidavit or other information in support thereof, which is false or fraudulent," and further, that I have familiarized myself with the contents of Nevada Revised Statutes and Regulations.

I hereby expressly waive, release and forever discharge the State of Nevada, the licensing agency and its agents from any and all manner of action and causes of action whatsoever which I, my administrators or executors can, shall or may have against the State of Nevada, the licensing agency and its agents, as a result of my applying to be a designated representative for a pharmacy or MDEG in the State of Nevada.

  
.....  
Original Signature of Applicant



# Nevada State Board of Pharmacy

431 W. PLUMB LANE • RENO, NEVADA 89509  
(775) 850-1440 • 1-800-364 2081 • FAX (775) 850-1444  
E-mail pharmacy@pharmacy.nv.gov • Website bop.nv.gov

## NEVADA STATE BOARD OF PHARMACY

### ACTIVITIES REPORT

#### OCTOBER 14-15, 2015 BOARD MEETING HELD IN LAS VEGAS, NEVADA

This report is prepared and presented to keep interested legislators and others abreast of the activities of the Nevada State Board of Pharmacy. Following is a summary of the October 2015 Board meeting.

#### Licensing Activity:

- 9 licenses were granted for Out-of-State MDEG (Medical Devices, Equipment and Gases) companies.
- 6 licenses were granted for Nevada MDEG companies.
- 18 licenses were granted for Out-of-State pharmacies, pending receipt of a favorable inspection for all compounding pharmacies.
- 15 licenses were granted for Out-of-State wholesalers & one was denied.
- 10 licenses were granted for Nevada pharmacies.
- 1 license was granted for a reciprocal pharmacist after satisfactorily answering past discipline questions.

#### Disciplinary Actions:

- Pharmaceutical technician SG was revoked for diversion of controlled substances for personal use from pharmacy CV.
- Pharmacist HA was fined \$1250; ordered a letter of reprimand and 4 hours of CE for dispensing amitriptyline 10X stronger than prescribed. Pharmacy SO was fined \$495 admin fees.
- Pharmacist DC was fined \$200; ordered a letter of reprimand and 1CE for allowing an unlicensed intern pharmacist to work in his pharmacy. AP was fined \$600 plus admin fees and ordered to develop P&P to prevent this from reoccurring.
- Pharmacist LL was fined \$1750; ordered a letter of reprimand and 2 hours of CE for failing to counsel causing patient misunderstanding and harm. Pharmacist EV was ordered the same and pharmacy VP was fined \$2500 and ordered a computer "fix" for failing to comply with a previous Board order that allowed pharmacy techs to sign off for pharmacists.

#### Other Activity:

- The usual Board business reports were given, including recent and future speaking engagements; reports on national meetings; and collaboration with other state agencies.
- Recommendations by the Board CE Committee were approved for two CE programs.

- One surety bond was reduced at the request of the applicant and in accordance with our regulations.

#### **WORKSHOP:**

**New Language to be added to NAC Chapter 639**, pursuant to the Good Samaritan Drug Overdose Act, SB 459 (2015), establishing educational requirements and standardized procedures or protocols for the furnishing of opioid antagonists by pharmacists and other appropriate entities to persons at risk of experiencing an opioid-related overdose or to a family member, friend or other person in a position to assist persons at risk of experiencing an opioid-related drug overdose

#### **PUBLIC HEARING:**

**Amendment of Nevada Administrative Code 453.510 – Schedule I** The proposed amendment to NAC 453.510 will add newly identified synthetic drugs to the list of controlled substances listed on Schedule I, and provides for other matters properly related thereto.

**Amendment of Nevada Administrative Code (NAC) 639.620, NAC 639.6282, NAC 639.6305 – Third-Party Logistics Providers** The regulation amends the definition of third-party logistics providers (3PLs) to be consistent with the Federal Drug Quality and Security Act (DQSA). The amendment requires that a 3PL obtain a license as an authorized warehouse, rather than being licensed as a wholesaler as they have historically been licensed.

**Amendment of Nevada Administrative Code (NAC) 639.050 and NAC 639.498** The proposed amendment will update the regulations to comply with current federal regulations allowing pharmacies, manufacturers, wholesalers, hospital pharmacies, and retail pharmacies to take prescription drugs back based on the September 9, 2014, DEA guidelines. These entities must obtain registration as an authorized collector from the DEA.

**Amendment of Nevada Administrative Code (NAC) 639.609, NAC 639.610, NAC 639.615; 639.New Language** The proposed amendment will require an outsourcing facility to obtain a license as a manufacturer if the outsourcing facility is engaged in the compounding of sterile drugs. The proposed amendment will update the regulation to be consistent with federal Drug Quality and Security Act (DQSA).

TEMPORARY LICENSES  
(Issued since last board meeting)

Mesa View Regional Hospital

Stacy Fitzgibbon

Blank

**PROPOSED REGULATION OF  
THE STATE BOARD OF PHARMACY**

**LCB File No. R079-15**

September 16, 2015

EXPLANATION – Matter in *italics* is new; matter in brackets [~~omitted material~~] is material to be omitted.

AUTHORITY: §1, NRS 453.146, 453.2182 and 639.070.

A REGULATION relating to controlled substances; adding lorcaserin to the controlled substances listed in schedule IV in conformity with federal regulations; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

Existing law authorizes the State Board of Pharmacy to adopt regulations to add, delete or reschedule substances listed as controlled substances in schedules I, II, III, IV and V of the Uniform Controlled Substances Act. (NRS 453.146) Existing law also provides that if a substance is designated, rescheduled or deleted as a controlled substance pursuant to federal law, the Board is required, with certain limited exceptions, to similarly treat the substance under the Uniform Controlled Substances Act. (NRS 453.2182) The Drug Enforcement Administration of the United States Department of Justice has added lorcaserin to the list of controlled substances in schedule IV of the federal Controlled Substances Act. (78 Fed. Reg. 26,701-26,705) This regulation brings the treatment of lorcaserin into conformity with federal regulations by adding it to the list of controlled substances in schedule IV of the Uniform Controlled Substances Act.

**Section 1.** NAC 453.540 is hereby amended to read as follows:

453.540 1. Schedule IV consists of the drugs and other substances listed in this section, by whatever official, common, usual, chemical or trade name designated.

2. Unless specifically excepted or unless listed in another schedule, any material, compound, mixture or preparation containing any of the following narcotic drugs, including,

without limitation, their salts, calculated as the free anhydrous base of alkaloid, is hereby enumerated on schedule IV, in quantities:

(a) Not more than 1 milligram of difenoxin and not less than 25 micrograms of atropine sulfate per dosage unit; or

(b) Dextropropoxyphene (alpha-(+)-4-dimethylamino-1,2-diphenyl-3-methyl-2-propionoxy-butane).

3. Unless specifically excepted or unless listed in another schedule, any material, compound, mixture or preparation which contains any quantity of the following substances, including, without limitation, their salts, isomers and salts of isomers, is hereby enumerated on schedule IV, whenever the existence of such salts, isomers and salts of isomers is possible within the specific chemical designation:

Alprazolam;

Barbital;

Bromazepam;

Butorphanol;

Camazepam;

Carisoprodol;

Chloral betaine;

Chloral hydrate;

Chlordiazepoxide;

Clobazam;



Clonazepam;  
Clorazepate;  
Clotiazepam;  
Cloxazolam;  
Delorazepam;  
Diazepam;  
Dichloralphenazone;  
Estazolam;  
Ethchlorvynol;  
Ethinamate;  
Ethyl loflazepate;  
Fludiazepam;  
Flunitrazepam;  
Flurazepam;  
Halazepam;  
Haloxazolam;  
Ketazolam;  
Loprazolam;  
Lorazepam;  
***Lorcaserin;***  
Lormetazepam;  
Mebutamate;

Medazepam;  
Meprobamate;  
Methohexital;  
Methylphenobarbital (mephobarbital);  
Midazolam;  
Nimetazepam;  
Nitrazepam;  
Nordiazepam;  
Oxazepam;  
Oxazolam;  
Paraldehyde;  
Petrichloral;  
Phenobarbital;  
Pinazepam;  
Prazepam;  
Quazepam;  
Suvorexant;  
Temazepam;  
Tetrazepam;  
Tramadol (2-((dimethylamino)methyl)-1-(3-methoxyphenyl)cyclohexanol);  
Triazolam;  
Zaleplon;

Zolpidem; or

Zopiclone.

4. Any material, compound, mixture or preparation which contains any quantity of fenfluramine, including, without limitation, its salts, isomers and salts of such isomers, whenever the existence of such salts, isomers and salts of isomers is possible, is hereby enumerated on schedule IV. For the purposes of this subsection, “isomer” includes, without limitation, the optical, position or geometric isomer.

5. Unless specifically excepted or unless listed in another schedule, any material, compound, mixture or preparation which contains any quantity of the following substances having a stimulant effect on the central nervous system, including, without limitation, their salts, isomers and salts of isomers, is hereby enumerated on schedule IV:

Cathine ((+)-norpseudoephedrine);

Diethylpropion;

Fencamfamin;

Fenproporex;

Mazindol;

Mefenorex;

Modafinil;

Pemoline (including organometallic complexes and chelates thereof);

Phentermine;

Pipradrol;

Sibutramine; or

SPA ((-)-dimethylamino-1,2-diphenylethane).

6. Unless specifically excepted or unless listed in another schedule, any material, compound, mixture or preparation which contains any quantity of pentazocine, including, without limitation, its salts, is hereby enumerated on schedule IV.

**PROPOSED REGULATION OF THE  
STATE BOARD OF PHARMACY**

**LCB File No. R047-15**

September 15, 2015

EXPLANATION – Matter in *italics* is new; matter in brackets [omitted-material] is material to be omitted.

AUTHORITY: §1, NRS 639.070.

A REGULATION relating to pharmacy; revising provisions relating to the transmission of information regarding the dispensing of controlled substances to certain persons; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

Under existing regulations, the State Board of Pharmacy requires each pharmacy that uses a computerized system to record information concerning prescriptions and that dispenses to certain persons a controlled substance that is listed in schedule II, III or IV to transmit certain information concerning the controlled substance to the Board or its agent on a weekly basis. (NAC 639.926) Certain practitioners who dispense controlled substances are also subject to those requirements. (NAC 639.745) This regulation requires such a pharmacy or practitioner to transmit that information not later than the next business day after dispensing the controlled substance. This regulation also requires such a pharmacy or practitioner that does not dispense such a controlled substance to transmit to the Board or its agent a zero report stating that the pharmacy or practitioner did not dispense such a controlled substance on the immediately preceding business day. Finally, this regulation revises the methods that a pharmacy or practitioner is required to use to transmit the information or zero report.

**Section 1.** NAC 639.926 is hereby amended to read as follows:

639.926 1. Each pharmacy that uses a computerized system to record information concerning prescriptions and that dispenses a controlled substance that is listed in schedule II, III or IV to a person who is not an inpatient of a hospital, correctional institution or nursing facility shall transmit to the Board or its agent the following information, as applicable, set forth in the

*2011 ASAP Version 4.2 Standard for Prescription Monitoring Programs* published by the American Society for Automation in Pharmacy. The following Segments and the accompanying Data Elements of the Implementation Guide for the *2011 ASAP Version 4.2 Standard for Prescription Monitoring Programs* are hereby adopted by reference:

(a) The Segment entitled “TH Transaction Header” and the following Data Elements:

- (1) Version/Release Number;
- (2) Transaction Control Number;
- (3) Transaction Type;
- (4) Response ID;
- (5) Creation Date;
- (6) Creation Time;
- (7) File Type; and
- (8) Segment Terminator Character;

(b) The Segment entitled “IS Information Source” and the following Data Elements:

- (1) Unique Information Source ID;
- (2) Information Source Entity Name; and
- (3) Message;

(c) The Segment entitled “PHA Pharmacy Header” and the following Data Elements:

- (1) National Provider Identifier (NPI);
- (2) DEA Number;
- (3) Pharmacy or Dispensing Prescriber Name;
- (4) Phone Number;

(5) Contact Name; and

(6) Chain Site ID;

(d) The Segment entitled “PAT Patient Information” and the following Data Elements:

(1) Last Name;

(2) First Name;

(3) Address Information - 1;

(4) City Address;

(5) State Address;

(6) ZIP Code Address;

(7) Phone Number;

(8) Date of Birth; and

(9) Gender Code;

(e) The Segment entitled “DSP Dispensing Record” and the following Data Elements:

(1) Reporting Status;

(2) Prescription Number;

(3) Date Written;

(4) Refills Authorized;

(5) Date Filled;

(6) Refill Number;

(7) Product ID Qualifier;

(8) Product ID;

(9) Quantity Dispensed;

- (10) Days Supply;
  - (11) Transmission Form of Rx Origin Code;
  - (12) Classification Code for Payment Type; and
  - (13) Date Sold;
- (f) The Segment entitled “PRE Prescriber Information” and the following Data Elements:
- (1) National Provider Identifier (NPI);
  - (2) DEA Number;
  - (3) DEA Number Suffix;
  - (4) Last Name;
  - (5) First Name; and
  - (6) Phone Number;
- (g) The Segment entitled “CDI Compound Drug Ingredient Detail” and the following Data Elements:
- (1) Compound Drug Ingredient Sequence Number;
  - (2) Product ID Qualifier;
  - (3) Product ID;
  - (4) Component Ingredient Quantity; and
  - (5) Compound Drug Dosage Units Code;
- (h) The Segment entitled “TP Pharmacy Trailer” and the Data Element Detail Segment Count; and
- (i) The Segment entitled “TT Transaction Trailer” and the following Data Elements:
- (1) Transaction Control Number; and



(2) Segment Count.

2. A copy of the publication may be obtained from the American Society for Automation in Pharmacy at the Internet address <http://www.asapnet.org>, or by telephone at (610) 825-7783, for the price of \$175 for members and \$770 for nonmembers.

3. ~~{The}~~ A pharmacy *that dispenses a controlled substance and is required to transmit information to the Board or its agent pursuant to subsection 1* shall transmit the information ~~{required pursuant to this section}~~ not later than ~~{each Wednesday for the prescriptions filled from the immediately preceding Sunday through Saturday. If a Wednesday falls on a legal holiday, then the information must be reported on the next business day that is not a legal holiday.}~~ *the end of the next business day after dispensing the controlled substance. A pharmacy that does not dispense a controlled substance as specified in subsection 1 shall transmit to the Board or its agent a zero report stating that the pharmacy did not dispense such a controlled substance on the immediately preceding business day.*

4. The information *required pursuant to this section or a zero report* must be transmitted by means of ~~{a form of electronic data transmission approved by the Board, including, without limitation, a computer modem that can transmit information at the rate of 2400 baud or more.}~~ :

(a) *A secure file transfer protocol;*

(b) *An upload from an Internet web portal; or*

(c) *A manual entry.*

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